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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

SOUTHERN DIVISION

U. S. Department of Agriculture

STATE OFFICE PROCEDURE FOR THE HANDLING OF UNDELIVERED AND LOST
CHECKS, CLAIMS, AND ADJUSTMENT APPLICATIONS

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LIST OF FORMS

The following forms (hereinafter referred to by form numbers) will be used in connection with this procedure:

Form ACP-24, "Debit Voucher for Uncollectible Check(s) Returned"

Form ACP-28, "Official Receipt"

Form ACP-28A, "Notice to Remitter"

Form ACP-73, "Waiver of Claim"

Form ACP-103, "Application for Payment of Amounts Due Producers Who Have Died, Disappeared, or Have been Declared Incompetent"

Form AAA-367, "True Copy of General Accounting Office Certificate of Settlement (39A)"

Standard Forms:

No. 1044, "Schedule of Collections"

No. 1045, "Summary of Collections"

No. 1046, Revised, "Schedule of Transfers - Special Deposits"

No. 1047, "Public Voucher for Refunds"

No. 1048, "Public Voucher for Refunds"

No. 1055, "Application for Payment of Amounts Due Deceased or Incompetent Civilian Employees, Officers, and Enlisted Men in the Military Service, and Public Creditors of the United States".

No. 1064, Rev., "Schedule of Disbursements"

No. 1098, "Schedule of Cancelled Checks"

Treasury Form No. 1664-B, "Memorandum of Returned Check"

Treasury Form 1, Revised, "Certificate of Deposit"

Form AD-42, "Administrative Report".

APPLICABILITY

The procedure outlined herein regarding the handling of undelivered and lost checks, claims, and adjustment applications supersedes all previous instructions and is to be followed in connection with all agricultural programs administered through State and county offices.

LETTERS PREPARED FOR SIGNATURE OF ACTING DIRECTOR OF FINANCE

In order to establish uniformity in letters prepared for the signature of the Acting Director of Finance as provided in this procedure, the following salutation, complimentary close and forms of address should be used in preparing these letters:

Salutation: Dear Sir:

Complimentary close: Very truly yours,

Forms of address:

Chief, Claims Division,
General Accounting Office.

Treasurer of the United States,
Accounting Division.

Chief Disbursing Officer
Treasury Department

SECTION I - FUNCTIONS OF THE CLAIMS SECTION

A. Designation of a Claims Section and a Claims Clerk.

1. There shall be established a Claims Section, in keeping with the requirements of each State office, under the supervision of the Claims Clerk.

2. The Claims Section shall perform the following functions:

- (a) Maintain records in connection with Treasury checks issued under applications for payment (hereinafter referred to as "applications") and remaining undelivered for any reason.
- (b) Schedule Treasury checks for cancellation in cases where the amount thereof is not due the payee or which otherwise have been erroneously issued and are not properly payable.
- (c) Receive checks, drafts, money orders, and other remittances in connection with refunds of payments for the purpose of examining, indorsing, and scheduling the same for collection and deposit to the credit of the appropriation or fund to which they pertain.
- (d) Administratively examine applications and related documents in cases where questions have arisen with

respect to payments issued thereunder and to maintain any records which may be necessary in connection therewith.

- (e) Prepare vouchers and schedules for payment of amounts which are due applicants seeking adjustments in payments previously certified, or for the return of excess remittances.
- (f) Handle all claims involving payees who are deceased or incompetent or who have disappeared.

B. Monthly Report from the Disbursing Office.

1. At the close of the month the Disbursing Officer will summarize on form 1045, the schedules of collections received from the State office and note thereon any uncollectible checks returned during that month. The original and four copies of form 1045 will be forwarded to the State Office. The Claims Clerk, the State Accountant, and a certifying officer shall examine the form 1045 to verify the fact that their records are in agreement with those of the Regional Disbursing Office (hereinafter referred to as DO) and distribute the copies thereof as follows:

- (a) A certifying officer shall sign the original and four copies, inserting thereon his title and the date of his signature.
- (b) The original and one copy shall be returned to the DO.
- (c) One copy shall be forwarded to the Office of Budget and Finance, Dept. of Agri., Washington, D. C.
- (d) One copy shall be filed by the State Accountant.
- (e) One copy shall be filed in the Claims Section in the folder containing the schedules covered thereby.

SECTION II - NON-DELIVERY OF TREASURY CHECK

A. Return to DO.

1. If any Treasury check issued pursuant to an application cannot be delivered to the payee by the Treasurer of the County Agricultural Conservation Association (hereinafter referred to as "Association Treasurer") for any reason, the check will be returned by the Association Treasurer to the DO and the State office will be notified in accordance with instructions set forth in SRC-401.

B. Notice to State Office from DO.

1. An original and three copies of form 1664-B, will be forwarded to the State office when a Treasury check is returned to the DO.
2. Any information or documents such as Letters of Administration, forms 1055, etc., received from the county office by the DO in connection with cases where the payee is deceased or incompetent will be transmitted to the State office together with form 1664-B. The DO will not attach to forms 1664-B the letters of explanation received in connection with checks returned for other reasons.
3. The State and county code number and the application serial number must be entered at once upon the original and all copies of form 1664-B, if not already entered.
4. Each form 1664-B shall be checked in detail against the copy of the voucher continuation sheet returned from the DO and the reason for the return of the check entered on the voucher continuation sheet.
5. An original and two copies of form 28, and one copy of form 28A should be prepared and distributed by the Claims Clerk immediately after the receipt of forms 1664-B as follows:
 - (a) Enter the name of the Association Treasurer after the words "Name of Remitter".
 - (b) Enter the address of the Association Treasurer in the spaces provided after the words "Street or Box Number", "Post Office", and "State".
 - (c) Enter the name of the payee of the returned check after the words "Applicant's Name".
 - (d) Enter the abbreviation "Tr. Ch." after the words "Nature of Remittance".
 - (e) Make no entry after the words "Payable to", "Schedule No. of Standard Form No. 1044, Rev.", "DO Voucher No.", and "Date".
 - (f) Enter the State and county code and serial numbers of the related application in the spaces provided after the words "State and County Code No." and "Serial No."
 - (g) Enter the date of the returned check after the words "Date of Remittance".
 - (h) Enter the check number after the words "Remittance Number".
 - (i) Enter the amount of the check after the words "Amount \$".

- (j) A certifying officer shall sign form 28A and it shall be forwarded to the Association Treasurer as his receipt.
- (k) The original and two copies of form 28 should be placed in the case file pending settlement of the case (See section III, subsection A, paragraph 4(f) hereof).

C. Files for Forms 1664-B.

- 1. The original and two copies of forms 1664-B issued by the DO in connection with checks returned for any reason other than the death or incompetence of the payee shall be placed in a separate file pending settlement of the account. In establishing a file for these forms 1664-B, the Claims Clerk must keep the following in mind.
 - (a) The procedure to be followed in the settlement of any case will be dependent in part upon the location of the check, i.e., whether held by the DO or the General Accounting Office (hereinafter referred to as GAO).
 - (b) The files should show at all times the cases which require particular attention if settlement is to be completed prior to the time the checks are required to be transmitted to the GAO.
 - (c) The DO may upon a request from the State office withhold the delivery of a check to GAO in cases where settlement will be completed shortly after the expiration of the period the checks are held in the DO.
 - (d) One copy of form 1664-B shall be securely attached to the case file.
- 2. The original and two copies of forms 1664-B received in connection with cases wherein the payee of the returned check is deceased or incompetent shall be placed in a separate file alphabetically by payees' names. The date the form 1664-B was placed in such file should be entered on the file folder and not later than 30 days following such date if no claim has been received for the proceeds of the related check, an inquiry as to the status of the case should be forwarded to the proper county office at the end of each succeeding thirty-day period until the case is cleared. One copy of form 1664-B shall be firmly attached to the case file.
- 3. If it is determined that the check is to be canceled, form 1664-B shall be completed by checking the block "Canceled - schedule herewith". The original form 1664-B shall be signed by a certifying officer and returned to the DO with the schedule of cancellation. This copy shall be attached to form 1098.

(See section III hereof). The remaining copies should be placed in the folder containing documents or papers relative to any claim for the proceeds of the canceled checks.

SECTION III - CANCELLATION OF TREASURY CHECK

A. Where Check is Held by DO.

1. When it has been determined that a Treasury check which is held by the DO should be canceled for any reason, an original and nine copies of form 1098 shall be prepared as follows:
 - (a) Enter the State and county code numbers in the space above the title of the form.
 - (b) Enter the schedule number which shall be the next unassigned number in the series adopted at the beginning of the current fiscal year, preceded by the letters "SRC.". This number shall be entered upon each sheet of the particular schedule. (The schedule number series shall continue in numerical sequence until the end of the fiscal year.)
 - (c) Enter the sheet number which shall be 1, if there is only one sheet, or 1 of 2 sheets, 2 of 2 sheets, etc., if the schedule consists of two or more sheets.
 - (d) Enter the word "Agriculture" (if not printed in) over the words "(Department or Establishment)".
 - (e) Enter the letters "A.A.A." (if not printed in) followed by the name of the State in which the State office is located and the words "State office" over the words "(Bureau or Office)".
 - (f) Enter "G. F. Allen, Chief Disbursing Officer" (if not printed in) after the words "Submitted by".
 - (g) Enter the name of the city and State in which the DO is located after the word "At".
 - (h) Enter the month and year in which the schedule is expected to be taken up by the DO after the word "Period".
 - (i) Enter the symbol number furnished by the DO for this purpose after the words "DO Symbol No.".
 - (j) Enter in the first column the date of the check.
 - (k) Enter in the second column the check serial number.

- (1) Enter in the third column the name of the payee (spelled exactly as it appears on the check).
- (m) Enter in the fourth column the "Disbursing Officer's Voucher No." under which the payment represented by the returned Treasury check was certified and a brief statement of the reason for requesting cancellation, e. g., "Payee not entitled" or "Payee deceased".
- (n) Enter in the fifth column the amount of the check.
- (o) Enter in the sixth column the symbol and title of the appropriation against which the check was drawn. (This symbol and title of the appropriation is not required to be entered for each check listed.)
- (p) Enter the total amount of the check(s) in the fifth column after the word "Total". This total is to be entered only on the last sheet when the schedule consists of more than one sheet.
- (q) The date the schedule is to be forwarded to the DO and the signature and title of a certifying officer shall be entered in the spaces marked "Date", "Transmitted by", and "Title". These entries need not be made only on the last sheet when the schedule consists of more than one sheet.
- (r) The signature of the certifying officer need be placed only on the original of the schedule provided that a facsimile signature is stamped, or the name of the certifying officer typed, on the copies of the schedule.
- (s) When a schedule consists of more than one sheet, the sheets comprising each of the nine sets shall be firmly stapled together.
- (t) Attach the original copy of form 1664-B which has been signed by a certifying officer to form 1098, when forwarded to the DO.

2. Checks issued with respect to applications from different counties must be listed on separate schedules but all of the checks from one county which are to be canceled may be listed on one schedule, provided that not more than five sheets are required for the schedule. Checks drawn against different appropriations must not be scheduled for cancellation on the same schedule.

3. Enter on two copies of the schedule (on all sheets of two sets if the schedule consists of more than one sheet) the words "Forward to the (State) Preaudit Office, GAO".
4. Forms 1098 shall be distributed as follows:
 - (a) The original and six copies, including the two copies marked for the GAO and one copy stamped "Forward to Control Accounts and Reports Section, AAA, Dept. of Agri., Old P. O. Bldg., Washington, D. C.", shall be forwarded to the DO.
 - (b) One copy shall be forwarded to Accounting and Bookkeeping Division, GAO, Washington, D. C.
 - (c) Two copies should be filed numerically by schedule number in a pending file.
 - (d) The DO, after a period of approximately forty-eight hours from the time the schedule is received, will return one copy to the State office.
 - (e) The information shown in the lower part of the copy returned from the DO shall be transcribed upon the two file copies after verifying the cancelation of the checks scheduled.
 - (f) The following information shall be inserted on the original and two copies of form 28, prepared with respect to the canceled checks:
 - (1) Change the words "Schedule No. of Standard Form 1044, Rev." to read "Schedule No. of Standard Form 1098" and enter thereafter the schedule number of form 1098.
 - (2) Enter after the words "DO Voucher No." and "Date" the DO voucher number under which the payment represented by the canceled check was certified and the date it was paid respectively.
 - (3) Enter after the words "Fund Credited" and "Date" the symbol number of the fund credited and the date shown in the lower left corner of form 1098 respectively. No entry is to be made after the words, "Certificate of Deposit No."
 - (4) A concise statement of the action taken and proposed to be taken in the settlement of the

case shall be entered in the remaining blank space beneath the words "Action Taken". If the canceled check was issued pursuant to an agricultural conservation program involving county association expense deductions, the statement shall show the adjustment in the expense deductions previously charged, entered as follows: "Decrease deduction \$ _____."

- (5) A certifying officer or other duly authorized person shall sign the original and two copies of form 28.
- (g) The copy returned from the DO accompanied by one copy of the completed form 28 shall be forwarded to the State Accountant.
- (h) One copy of the schedule showing the information transcribed thereon in accordance with subparagraph (e) of this paragraph 4 shall be forwarded to the Office of Budget and Finance, Dept. of Agri., Washington, D. C.
- (i) One copy should be filed numerically by schedule numbers in the Clearance Section in folders designated by the month and year in which the forms 1098 were stamped as received by the DO.

B. Cancellation of checks Held in the Records Division, GAO.

1. Checks held in the Records Division, GAO, which are to be canceled for any reason shall be canceled by addressing a memorandum in quadruplicate, prepared for the signature of the Administrative Officer in Charge, to the Chief of Party, General Accounting Preaudit Office. The memorandum should be prepared in the following general form:

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

(Date _____
Schedule No. _____)

Mr. John Doe,
Chief of Party,
General Accounting Preaudit Office,
Athens, Georgia.

Dear Mr. Doe:

Reference is made to the (year and program designation) checks described herein which were returned to the DO and subsequently forwarded by that office to the Reconciliation and Clearance Division, GAO.

It is requested that action be taken by your office to effect cancellation of the following checks which were drawn by G. F. Allen, Symbol _____, against appropriation (symbol and title).

<u>Check No.</u>	<u>Date</u>	<u>Amount</u>	<u>Payee</u>	<u>D. O.</u>	<u>Vou. No.</u>	<u>Reason for Request for Cancelation</u>
-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----
-----	-----	-----	-----	-----	-----	-----

When the checks described above have been canceled it is requested that this office be so notified.

Very truly yours,

Administrative Officer in Charge

2. A concise statement of the reason for cancelation shall be shown with respect to each check listed, e.g., "payee not entitled", or, "payee deceased".
3. The letter shall be given a schedule number in the series allotted to forms 1098.
4. The GAO will notify the State office when cancelation is effected.
5. Form 28 shall be completed in the manner outlined in subsection A, paragraph 4(f), of this section III. The date of cancelation shall also be shown.

C. Where Check has been Reported into Outstanding Liabilities.

1. In cases where it is determined that the payee is not entitled to any payment with respect to the particular application,
 - (a) A form AD-42 shall be prepared by the State office

requesting that the funds be transferred back to the appropriation charged and setting forth in detail an explanation as to how the error occurred which caused the check to be issued. The form AD-42 shall be accompanied by any evidence the State office has to show that no payment should have been made.

- (b) In cases where another producer is entitled to all or a part of the payment the appropriation against which the original check was issued has ceased or will cease shortly to be available for expenditure, the form AD-42 shall request that the rightful payee be paid out of "Outstanding Liabilities" and be accompanied by a properly executed adjustment application. The form AD-42 shall also cover what disposition is to be made of the balance, if any, of the original check.
2. In cases where it is determined that the payee is entitled to a part of the payment covered by the check issued with respect to the particular application,
 - (a) A form AD-42 shall be prepared by the State office requesting that a check be drawn to the payee in the amount to which he is entitled and that the remaining amount of the original check be transferred back to the appropriation charged.
 - (b) The form AD-42 shall set forth in detail an explanation as to how the error occurred which caused the check to be issued in an excess amount and be accompanied by any evidence the State office may have to show that only a partial payment should have been made.
 - (c) If it has been determined that another person is entitled to a part of the payment and has filed a timely adjustment application and the appropriation against which the original check was issued has ceased or will cease shortly to be available for expenditure, the form AD-42 shall request that such person be paid out of "Outstanding Liabilities" and shall be accompanied by the adjustment application.
3. In cases where it is determined that the payee is deceased or incompetent,
 - (a) A form AD-42 shall be prepared by the State office requesting that payment be made to the person(s) entitled to receive payment to which the decedent or incompetent was entitled.
 - (b) The form AD-42 shall be accompanied by the related claim form and any related statements.

4. The Form AD-42 shall be forwarded to the Director of the Southern Division (hereinafter referred to as Director) for transmittal to the Claims Division, GAO, through the Office of Budget and Finance, Dept. of Agri.
5. Form 39A will be received in quadruplicate from the Southern Division and copies shall be distributed to: (1) State Accountant, (2) County Office, (3) GAO with adjustment application, if any, and (4) Claims Section.

SECTION IV - RECEIPT OF REMITTANCES OTHER THAN TREASURY CHECKS

A. Receipt of Remittances in Connection with State office Overpayments.

1. All remittances received in the State office in the form of post office money orders, certified checks, bank drafts, bank cashier's checks, etc., in connection with applications must be routed to the Claims Clerk together with the related correspondence and documents. Cash may be accepted in lieu of remittances in the form of money orders, cashier's checks, etc., and scheduled for collection as hereinabove provided as a cash item. Postage stamps received as remittances must be converted into cash. The practice of making a refund in the form of either cash or postage stamps should be discouraged.
2. All remittances shall be disposed of within the day received.
3. Every remittance shall be examined to determine that it may be negotiated by the DO. A remittance other than cash which is negotiable must be properly signed and dated, drawn payable to the order of the "Treasurer of the United States" or in a manner to permit endorsement to that official and must show an exact agreement between the amount an expressed in figures and the written amount. If it is not negotiable, it must be returned to the drawer of the remittance through the county office accompanied by a letter in which the reasons that the remittance is not negotiable are set forth and requesting that an acceptable remittance be secured.
4. A receipt number for each remittance which may be negotiated must be assigned by the Claims Clerk beginning with the number next succeeding the one last assigned to a remittance and continuing thereafter in numerical sequence without regard to the accounts to be credited or fiscal years.
5. An original and two copies of form 28 1/ and one copy of form

1/ In cases where it is necessary to set up an encumbrance, an additional copy of form 28 shall be prepared and is to be sent to the State accountant as notice of liquidation at the time payment is made to the proper person.

28A shall be prepared and distributed after a receipt number has been assigned, as follows:

- (a) Enter above the title the program and year designation.
- (b) Enter the name of the person who forwarded the remittance to the State office after the word "Remitter".
- (c) Enter the address of the person who forwarded the remittance, after the words "Street or Box Number", "Post Office", and "State".
- (d) Enter the name of the applicant for whom the refund was made after the words "Applicant's Name".
- (e) Enter the nature of the remittance after the words "Nature of Remittance".
- (f) Enter the name of the person to whose order the remittance is drawn after the words "Payable to".
- (g) Enter the schedule number of the form 1044, Revised, upon which the remittance is scheduled for collection after the words "Schedule No. of Standard Form No. 1044, Rev."
- (h) Enter the DO voucher number under which the refunded payment was originally certified after the words "D.O. Voucher No." 1/
- (i) Enter the date on which the refunded payment was made as shown on the Schedule of Disbursements after the word "Date". 1/
- (j) Enter the receipt number after the words "Receipt No.". 1/
- (k) Enter the State and county code and application serial numbers with respect to which the refund is made in the spaces after the words "State and County Code No." and "Serial No.". 1/
- (l) Enter the date of the remittance after the words "Date of Remittance". 1/
- (m) Enter the serial number of the remittance after the words "Remittance Number". 1/
- (n) Enter the amount of the remittance after the words "Amount \$". 1/
- (o) Enter the symbol number of the appropriation or special deposits account to be credited after the words "Fund Credited". 1/

1/ In connection with regular special deposits cases this information is to be entered at the time form 1046 is prepared.

(p) A concise statement of the action taken or proposed to be taken in connection with the refund and the reason for scheduling the remittance to the particular appropriation or the special deposits accounts shall be made in the blank space beneath the words "Action Taken". This statement is not to be made on form 28A. If the remittance represents a refund of a payment made pursuant to an agricultural conservation program involving county association expense deductions, the statement shall show the adjustment in the expense deductions previously charged, entered as follows: "Decrease deduction \$ _____".^{1/}

(q) A certifying officer shall sign all copies of form 28 and form 28A, and form 28A shall be forwarded to the remitter as his receipt.

6. If the appropriation to which the remittance pertains has been determined and the remittance is in the exact amount, or not in excess of the exact amount due as a refund, the remittance shall be indorsed and scheduled for collection and deposit by preparing an original and eight copies of form 1044, Revised, as follows:

- (a) Enter the State and county code numbers in the space above the title.
- (b) Enter the schedule number which shall be the next unassigned number in the series adopted at the beginning of the current fiscal year next succeeding the last number assigned to schedules of collections, by the letters "SRC"; this number to be entered on each sheet of the schedule.
- (c) Enter the sheet number which shall be 1, if there is only one sheet; or 1 of 2 sheets, 2 of 2 sheets, etc., if the schedule consists of two or more sheets.
- (d) Enter the word "Agriculture" over the words "(Department or Establishment)".
- (e) Enter the letters "A.A.A." followed by the name of the State in which the State office is located and the words "State office" over the words "(Bureau or Office)".
- (f) Enter "G. F. Allen, Chief Disbursing Officer" after the words "Received by".
- (g) Enter the name of the city and State in which the DO is located after the word "at".

^{1/} In connection with regular special deposits cases this information is to be entered at the time form 1046 is prepared.

- (h) Enter the month and year in which the schedule is expected to be taken up by the Disbursing Officer after the word "Period".
- (i) Enter the symbol number furnished by the Disbursing Officer for this purpose after the words "D. O. Symbol No."
- (j) Enter the date the remittance was received in the column entitled "Date Received".
- (k) Enter the receipt number in the column entitled "Receipt Number".
- (l) Enter in the column entitled "Name of Remitter" the name and address of the bank upon which the cashier's check, draft, etc., was drawn, e.g., First National Bank, Atlanta, Georgia; in the case of a postal money order, enter "U.S.P.M.O" followed by the name and address of the issuing post office; and, in case of a personal check, the name and address of the drawer followed by the name and address of the bank. The date and the serial number of each remittance shall be entered directly beneath the name and address. When cash refunds are received, the name and address of the person making the refund and the words "Cash Item" shall be entered.
- (m) A concise statement of the purpose for which the refund was made shall be entered in the column entitled "Detail Description of Purpose for Which Collections were Received", including the following:
 - (1) The name of the applicant,
 - (2) The code and serial number of the application whereunder the overpayment was certified,
 - (3) The D.O. Voucher No. whereunder the overpayment was made and the name of the Disbursing Officer making the overpayment,
 - (4) The number of the check whereby the overpayment was made,
 - (5) The period during which the voucher whereunder the overpayment occurred was paid by the DO.
- (n) Enter the amount of the remittance in the column entitled "Amount". When checks and drafts are scheduled on the same form 1014, Revised, they should be grouped by types and a subtotal for each type entered in the column entitled "Amount".

- (o) Enter the symbol and title of the appropriation to be credited in the column entitled "Fund to be Credited"; this symbol and title of the appropriation is not required to be entered for each item listed.
- (p) Enter the total amount of the remittance(s) in the space provided in the fifth column after the word "Total"; this total is to be entered only on the last sheet when the schedule consists of more than one sheet.
- (q) The date the schedule is forwarded to the DO and the signature and title of a certifying officer shall be entered in the lower right corner (the lower left corner is for the use of the DO); these entries are to be made only on the last sheet when the schedule consists of more than one sheet.
- (r) When a schedule consists of more than one sheet, the sheets comprising each of the eight sets shall be firmly stapled together.

7. Form 1044, Revised, shall be distributed as follows:

- (a) Forward the original and three copies to the DO together with the checks, drafts, or money orders covered thereby. One of such copies must be stamped "Forward to Control Accounts and Reports Section, A.A.A., Dept. of Agri., Old P. O. Bldg., Washington, D. C."
- (b) Forward one copy to the Division of Bookkeeping and Warrants, Treasury Department, Washington, D. C.
- (c) Forward one copy to the accounting and Bookkeeping Division, GAO, Washington, D. C., accompanied by one copy of form 28.
- (d) Forward one copy to the GAO.
- (e) File two copies numerically in a pending file.
- (f) The DO, after a period of approximately forty-eight hours from the time the schedule is received, will return one copy, accompanied by "Certificate of Deposit, Form 1 (Revised), Treasury Department, Division of Bookkeeping and Warrants", to the State office.
- (g) The information shown in the lower left corner of the copy returned from the DO shall be transcribed upon the file copies after verifying the collection of scheduled items and the Certificate of Deposit number and the date thereof shall be inserted in the spaced provided on form 28.
- (h) Forward the copy returned from the DO, accompanied by the Certificate of Deposit and one copy of form 28, to the State Accountant.

- (i) Forward one copy of the schedule showing the information transcribed thereon in accordance with subparagraph (f) of this paragraph 7, to the Office of Budget and Finance, Dept. of Agri., Washington, D. C.
- (j) One copy shall be filed numerically in the Claims Section in separate folders by the month and year in which the schedules were stamped as received by the DO.
8. Remittances in payment of penalties incurred in connection with marketing quotas shall be handled in accordance with the procedure outlined in Cotton 408, Part III, "State Office Procedure for Depositing Collections and Refunding Money in Excess of the Penalty" (hereinafter referred to as Cotton 408).
9. The distribution of form 1044, Revised, prepared with respect to checks, drafts, and money orders to be taken up in the regular special deposits account will be the same as that prescribed in paragraph 7 except that one copy shall not be transmitted to the GAO and the copy of form 28 which is to be transmitted to the State Accountant should be kept by the Claims Clerk pending final disposition of the collection.
10. All of the remittances which are to be credited to the same appropriation may be scheduled on the same form 1044, Revised, except that money orders shall be scheduled on a separate form 1044, Revised, from other remittances.
11. Any check, draft, or money order received by the DO rather than the State office will be placed in the regular special deposits account by the DO by scheduling the item on form 1044, Revised. One copy of form 1044, Revised, will be forwarded to the State office. Two copies of the form 1044, Revised, received from the DO should be prepared and one copy forwarded to the Office of Budget and Finance, Department of Agriculture, Washington, D. C. There shall be entered on the form 1044, Revised, and on each copy thereof, above the number, if any, assigned by the DO, the next consecutive number to be assigned to schedules of collections to the credit of the regular special deposits account. The copy transmitted to the State office from the DO should be forwarded to the State Accountant. The copy shall be kept in the Claims Section and filed by the State office serial number. The schedule shall thereafter be referred to by reference to both the DO and State office numbers.
12. Prepare forms 28 and 28A in the manner prescribed.

B. Receipt of a remittance pertaining both to a rental-benefit overpayment made in Washington, and a State office overpayment (and/or a marketing quota penalty).

1. Upon receipt of the remittance the State office shall:

(a) If a part of the remittance represents marketing quota penalties incurred during the 1938-1939 marketing year, such part of the remittance shall be deposited in the general fund to the credit of account 122450 and an accomplished copy of the Standard Form No. 1044 shall be forwarded to the Comptroller, AAA. If a part of the remittance represents marketing quota penalties incurred during the 1939-1940 marketing year, this part of the remittance shall be deposited to the marketing quota special deposit account. Credit the remaining amount of the remittance to the regular special deposit account and then transfer to the proper appropriation (or fund) by use of Standard Form 1046, Revised, the amount pertaining to the overpayment made by the State office. Any part of the remittance deposited in the marketing quota special deposit account will be transferred to the general fund in accordance with the marketing quota procedure for making refunds and transfers.

(b) Address a letter to the Director of Finance, Department of Agriculture, requesting that appropriate action be taken to effect the transfer of the remaining amount of the remittance from the regular special deposit account of the DO, administrative symbol number 66.2-195 "Suspense, A.A.A. Conservation Payments", to the special deposit account of the Washington DO, administrative symbol number 66.2-196 "Suspense, Collection, A.A.A.". The letter shall be prepared for the signature of the Director and shall include the following description of the form 1044 by which the remittance was credited to the special deposit account:

(1) The schedule number of the form 1044, the certificate of deposit number, and the date.

(c) Forward to the Southern Division the original and three copies of the letter prepared under (b) above and one copy of the letter which accompanied the remittance to the State office.

2. The copy of Treasury Form 1669 (showing the administrative symbols of the special deposit accounts affected) received by the Southern Division will be transmitted to the State office as authority to reduce the amount in the State office regular special deposit account.

C. Endorsement of Checks for Deposit.

1. All remittances drawn payable to the order of the "Treasurer of the United States" must be restrictively indorsed before they are scheduled for payment by the claims Section immediately following the receipt thereof by means of a rubber stamp reading as follows:

Pay to the order of
The Treasurer of the United States
Division of Disbursements, Treasury Department
Southern Division, A.A.A., U. S. Department of Agriculture.

(location)

2. Any checks, drafts, or money orders drawn payable to "Southern Division", "Agricultural Adjustment Administration", "Department of Agriculture", or in a similar impersonal manner may (if otherwise negotiable) be accepted and indorsed by rubber stamp in the manner indicated in paragraph 1 above. Checks or drafts, drawn payable to some person other than the Treasurer of the United States, must first be indorsed "Pay to the order of the Treasurer of the United States" over the signature (and title) of the payee named therein, or by some person by him duly authorized through a Power of Attorney to indorse for him and on his behalf. In view of the difficulty and inconvenience incident to securing the indorsement which renders the instrument payable to the Treasurer of the United States, particularly in cases wherein the check is drawn payable to "Secretary of Agriculture" or to other designated officials not located in the State office, the remittance should be returned to the remitter with a request that it be drawn in a manner which will permit the rubber stamp indorsement referred to in paragraph 1 of this subsection C.

D. Uncollectible Checks.

1. An uncollectible check; i.e., a bad check or a check which is not honored at par, will be returned by the DO to the State office accompanied by two copies of form 1044, Revised, with the title thereof altered to read "Schedule of Uncollectible Checks". The Claims Clerk and a certifying officer should immediately sign one copy to indicate the receipt of the check(s) described therein and return the copy to the DO. An additional copy of form 1044 shall be prepared and retained in the Claims Section. The other copy received from the DO shall be forwarded to the State Accountant.
2. Prepare an original and three copies of form 24 as follows:
 - (a) Enter the words "Budget and Finance" after the word "To". Form 24 shall be prepared and

- (1) One copy will be forwarded to the State Accountant.
- (2) Two copies shall be kept in the Claims Section filed numerically and sequentially.
- (3) One copy must be forwarded to the Office of Budget and Finance, Department of Agriculture, Washington, D. C.

Upon receipt of a substitute check another copy of the form 24 shall be forwarded to the Office of Budget and Finance immediately with reference thereon as to the Standard Form No. 1044 (or 1098) upon which the substitute check is scheduled to the DO. This reference shall include the schedule number, the certificate of deposit number and the date.

- (b) Enter after the word "No." appearing in the upper right corner the next unassigned number in the series adopted at the beginning of the current fiscal year preceded by the letters "SRC" and continue thereafter in numerical sequence.
- (c) Enter the current date after the word "Date" appearing in the upper right corner.
- (d) Enter the name of the State after the word "From" and enter the word "Southern" after the words "State office".
- (e) Enter the description of the check(s) in the manner indicated. If more than two checks listed on the same schedule of collections were returned as uncollectible, the words "See other side" should be inserted in the space provided for the description of the checks and the complete description of the checks entered on the reverse side of form 24. The reasons for the return of each check will be taken from the form 1044, Revised, as altered to be a schedule of uncollectible checks.
- (f) Enter the "Schedule No." and date "Forwarded" from the form 1044, Revised, upon which the check was scheduled for collection.
- (g) Enter the symbol number of the appropriation or the special deposits account after the word "Symbol".
- (h) Enter the total amount of the checks returned as uncollectible after the word "Amount".
- (i) Enter the total amount of the remittances scheduled on form 1044, Revised, upon which the check was scheduled for collection, in the blank space after the words

"Deleted from schedule, which has been reduced in total from".

(j) Enter the amount which remains after the total amount of the uncollectible checks is deducted from the total of the remittances scheduled on form 1044, Revised, upon which they were originally scheduled, in the blank space between the word "to" and the words "by the Division of Disbursements, Treasury Department".

(k) If an effort is being made to collect the items returned as uncollectible, insert beneath the printed matter of form 24 on the copies which are to be forwarded to the Office of Budget and Finance a statement: "An acceptable remittance is being secured." In the event no effort will be made to secure an acceptable remittance, insert a statement to the effect that "no remittance will be secured to replace the uncollectible item" and give the reasons therefor.

(l) The Claims Clerk shall initial and a certifying officer must sign each copy of form 24.

(m) Form 24 shall be forwarded to the offices as indicated in subparagraph (a) of this paragraph 2.

3. The copy of form 1044, Revised, as altered to be a Schedule of Uncollectible Checks, which is kept in the Claims Section, shall be attached to the original schedule of collections to which it pertains. The total of the schedule of collections shall be lined out and the original total of the schedule less the total amount of the uncollectible checks shall be entered in lieu thereof and the entry initialed and dated by the Claims Clerk. This corrected total must agree with the amount entered on form 24, in accordance with subparagraph (j), paragraph 2 of this subsection C. Enter the words "See attached schedule", opposite the entry for the uncollectible check on the schedule of collections.

4. The drawer of the check shall be notified of the return of his check and of the reasons therefor by forwarding the check to him through the county office and the drawer of the check should be requested to make an acceptable remittance in the amount due if the account of the applicant for whom the remittance was received has not otherwise been settled.

5. A remittance replacing one previously returned as being uncollectible shall be examined and listed on a new schedule for collection as provided in subsection A, either in paragraph 6 or paragraph 8, of this section IV with the exception that a notation shall be made in the body of the new form 1044, Revised, that this check represents the recovery of the amount of the uncollectible check previously scheduled under Receipt No. _____, Schedule No. _____, Form 24 No. _____.

SECTION V - TRANSFER OF FUNDS FROM THE REGULAR SPECIAL DEPOSITS ACCOUNT TO AN APPROPRIATION AND REFUND OF REMITTANCES

A. Where Remittance was not in excess of Correct Amount Due.

1. When an examination of the case indicates that a check, draft, or money order which was scheduled for collection to the credit of the regular special deposits account is the amount, or not in excess of the amount, due as a refund under an application, prepare an original and eight copies of form 1046, Revised, as follows:
 - (a) Enter the State and county code numbers in the space above the title.
 - (b) Enter the schedule number which shall be the next unassigned number in the series adopted at the beginning of the current fiscal year preceded by the letters "SRC", and continue thereafter in numerical sequence; this number is to be entered upon each sheet of the schedule.
 - (c) Enter the sheet numbers which shall be 1, if there is only one sheet; 1 of 2 sheets, 2 of 2 sheets, etc., if the schedule consists of two or more sheets.
 - (d) Enter the word "Agriculture" over the words "(Department or Establishment)."
 - (e) Enter the letters "A.A.A." followed by the name of the State in which the State office is located followed by the words "State Office" over the words "(Bureau or Office)".
 - (f) Enter "G. F. Allen, Chief Disbursing Officer" after the words "Made by".
 - (g) Enter the name of the city and State in which the DO is located over the word "(Station)".
 - (h) Enter the month and year current at the time the schedule is expected to be taken up by the DO after the word "Period".
 - (i) Enter the symbol number furnished by the Disbursing Officer for this purpose after the words "D. O. Symbol No.".
 - (j) Enter the date the remittance was received in the column entitled "Date Received".
 - (k) Enter the remittance number in the column entitled "Receipt Number".

- (1) Enter the name and address of the bank or post office in the case of a check, draft, or money order, or if a personal check, the name and address of the drawer and of the bank upon which drawn in the column entitled "Name of Remitter". Enter the date and serial number of each remittance beneath the name and address of the remitter. If the refund is made in cash, enter the name and address of the person making the refund and the words "Cash Item".
- (m) A concise statement of the purpose for which the refund was made shall be entered in the column "Detail Description of Purpose for Which Collections were Received", including the following:
 - (1) Immediately below the title of the column enter the symbol and title of the regular special deposits account from which the transfer is being made,
 - (2) The name of the applicant,
 - (3) The code and serial number of the application whereunder the overpayment was certified,
 - (4) The "Disbursing Officer's Voucher No.",
 - (5) The number of the check whereby the overpayment was made,
 - (6) The period during which the voucher whereunder the overpayment occurred was paid by the DO.
- (n) Enter the amount of the refund which is being transferred from the regular special deposits account to the appropriation, in the column entitled "Amount to be Transferred to Regular Account".
- (o) Enter the symbol and title of the appropriation to be credited in the column entitled "Fund to be Credited"; this symbol and title of the appropriation is not required to be entered for each item listed.
- (p) Enter the total amount of the items to be transferred in the fifth column after the word "Total"; this total is to be entered only on the last sheet when the schedule consists of more than one sheet.
- (q) A certifying officer shall enter his signature and title in the space provided in the lower right corner; these entries are to be made only on the last sheet when the schedule consists of more than one sheet.

- (r) When a schedule consists of more than one sheet, the sheets comprising each of the eight sets must be firmly stapled together.
- 2. Refunds transferred from the regular special deposits account to different appropriations shall not be scheduled on the same form 1046, Revised.
- 3. Form 1046, Revised, shall be distributed as follows:
 - (a) Forward the original and three copies to the DO. One of these copies must be stamped "Forward to Control Accounts and Reports Section, AAA, Dept. of Agri., Washington, D. C."
 - (b) Forward one copy to the Division of Bookkeeping and Warrants, Treasury Department, Washington, D. C.
 - (c) Forward one copy to the Accounting and Bookkeeping Division, GAO, Washington, D. C., accompanied by one copy of form 28.
 - (d) Forward one copy to the GAO.
 - (e) File two copies numerically in a pending file.
 - (f) The DO, after a period of approximately forty-eight hours from the time the schedule is received, will return one copy, together with a certificate of deposit, to the State office.
 - (g) Transcribe the information shown in the lower left corner of the copy returned from the DO upon the two file copies after verifying the transfer of the scheduled items.
 - (h) Transmit the copy returned from the DO, accompanied by the certificate of deposit and form 28 to the State Accountant.
 - (i) Forward one copy of the schedule showing the information transcribed thereon in accordance with subparagraph (g) of this paragraph 3 to the Office of Budget and Finance, Dept. of Agri., Washington, D. C.
 - (j) One copy shall be filed by schedule numbers in the Claims Section.

B. Where Remittance was in excess of Correct Amount Due.

- 1. When an examination of the case indicates that a remittance scheduled for collection and deposit to the credit of the

regular special deposits account is in excess of the amount due as a refund under an application, form 1046, Revised, shall be prepared in accordance with subsection A of this section V for the amount of the remittance which has been determined to be the amount due as a refund. If no refund is due under the application and the entire amount of the remittance is to be returned to the depositor, it is not necessary to prepare form 1046, Revised, since no amount is to be transferred to the appropriation account.

2. The amount of the remittance which is in excess of that due will be vouchered on form 1047 and form 1048 as follows:
 - (a) The original will be form 1047 and the three copies required will be form 1048.
 - (b) Enter the serial number which shall be the next un-assigned number in the series adopted at the beginning of the current fiscal year preceded by the letters "SRC" and continue thereafter in numerical sequence.
 - (c) The "D. O. Voucher No." will be left blank as it will be filled in by the DO.
 - (d) Enter the words "Department of Agriculture, AAA (Name of State) State Office" after the letters "U. S."
 - (e) Enter the name of the city and State in which the State office is located after the word "Location".
 - (f) Insert the symbol number and title of the regular special deposits account after the words "Appropriation or Fund."
 - (g) Enter the name of the payee (the person to whom the excess amount is being returned) after the word "To".
 - (h) Insert the words "In care of" followed by the name and address of the proper Association Treasurer after the word "Address".
 - (i) Insert the abbreviation "Sch. of Col. No." followed by the schedule number of the form 1044, Revised, upon which the remittance was covered into the special deposits account after the words "Deposit received from the above-named depositor on". The date of the certificate of deposit shall follow this entry.
 - (j) Insert a brief reason for the refund after the word "for".

- (k) Enter the total amount of the remittance deposited after the words "Amount of Deposit \$ ".
- (l) Insert the amount transferred to the appropriation account in accordance with paragraph 2 of this subsection B after the words "Applied as explained in 'Remarks' below".
- (m) Enter the difference between the amounts entered in accordance with subparagraph (k) and (l) of this paragraph 2 (the amount to be returned to the depositer) after the words "Balance authorized to be refunded \$ ".
- (n) Following the word "Remarks", insert a concise statement of the reason for returning the amount entered in accordance with subparagraph (m) of this paragraph 2 to the depositor. The explanation shall include the statement that, as a result of returning the amount to the depositor, the amount ~~entered in accordance with subparagraph (l)~~ of this paragraph 2 has been properly credited to the appropriation account.
- (o) Enter the date of preparation and the signature and title of a certifying officer in the spaces provided.

3. Prepare an original and five copies of form 1064 as follows:

- (a) Enter the word "Agriculture" over the words "(Department or Establishment)".
- (b) Enter the words "AAA (Name of State) State office" over the words "(Bureau or Office)".
- (c) No entry shall be made over the words "(Date Paid)".
- (d) Enter the words "G. F. Allen" after the word "By".
- (e) Enter the words "Chief Disbursing Officer" over the words "(Title or Rank)".
- (f) Enter the names of the city and State in which the DO is located over the word "(Station)".
- (g) Enter the month and year in which it is anticipated that the voucher will be paid (not the month in which prepared) after the word "Period".
- (h) Enter the symbol number furnished by the DO for this purpose after the words "Symbol No.".

- (i) Enter the State code number followed by the letter "R" and the next unassigned number in the series adopted at the beginning of the current fiscal year preceded by the letters "SRC" and continue thereafter in numerical sequence.
- (j) Enter the date the schedule is prepared after the word "Date".
- (k) No entry should be made in the column entitled "Disbursing Officer's Voucher No."
- (l) Enter the serial number of the form 1047 in the column entitled "Bureau or Office Voucher No."
- (m) Enter the name of the payee as inserted in form 1047.
- (n) Insert the symbol number of the "Regular Special Deposits" in the column entitled "Symbol of Appropriation or Fund".
- (o) Enter the amount to be returned to the remitter in the column entitled "Amount".
- (p) A certifying officer shall sign and enter his title in the spaces provided.

4. The original and three copies of form 1064, one copy of form 1048, form 1047, and the original and three copies of form 1046, Revised, (when prepared in accordance with paragraph 1 of this subsection B) shall be forwarded to the DO. One copy of form 1064 shall be stamped "Forward to Control Accounts and Reports Section, AAA, Dept. of Agri., Old P. O. Bldg., Washington, D. C."
5. One copy of form 1064 shall be transmitted to the State Accountant.
6. One copy of form 1046, Revised, if prepared, shall be forwarded to the Division of Bookkeeping and Warrants, Treasury Department, Washington, D. C.
7. One copy of form 1046 Revised, if prepared, shall be forwarded to the Accounting and Bookkeeping Division, GAO, Washington, D. C.
8. One copy of form 1064 and three copies of form 1046, Revised, if prepared, shall be filed in a pending file by schedule numbers.
9. Two copies of form 1048 shall be filed numerically by voucher numbers.

10. The DO, after a period of approximately forty-eight hours from the time the schedule is received, will return one copy of forms 1046, Revised, if prepared, and 1064. The notations made thereon shall be transcribed upon the file copies after verifying the correctness of the schedules.
11. Copies of the forms 1046, Revised, if prepared, and 1064 which were returned from the DO shall be transmitted together with one copy of form 1048 and one copy of form 28 to the State Accountant.
12. One copy of form 1046, Revised, if prepared, shall be forwarded to the Office of Budget and Finance, Dept. of Agri., Washington, D. C.
13. One copy of form 1064 shall be placed in the file of forms 1048.
14. One copy of form 1046, Revised, if prepared, shall be filed by schedule numbers.

SECTION VI - NON-RECEIPT, FORGERY, LOSS, THEFT, OR DESTRUCTION OF
TREASURY CHECKS

A. Notice of Non-Receipt, Forgery, Loss, Theft, or Destruction of
Treasury Checks.

1. Any case involving the non-receipt, loss, theft, or destruction of a U. S. Treasury check shall be handled in accordance with instructions set forth in Special Letter No. 103 issued by Mr. G. F. Allen, Chief Disbursing Officer, Treasury Department, under date of April 8, 1941.
2. When the State office is notified that a Treasury check has been lost, stolen, destroyed, or forged, the person giving the information should be advised that the case is being referred to the DO for appropriate action and that future inquiries should be directed to that office. The correspondence received in connection therewith should be forwarded immediately to the DO.

B. Administrative Reports in connection with Forged Treasury Checks.

1. In certain instances involving forged checks, the Treasurer of the United States will transmit to the State office through the DO a form letter (in duplicate) requesting information as to whether any reason exists why the payee should not receive a check in the amount originally certified. The Treasurer will state whether payment has been made by the Treasury Department

on the allegedly forged check or whether payment of the check was declined by reason of the forgery and this distinction shall be observed carefully in preparing the letter for the Treasury Department in accordance with the provisions of the succeeding paragraphs.

2. Upon the receipt of the form letter referred to in paragraph 1 above, the claims clerk shall determine "whether any overpayment exists in the account of the above-named payee (or the claimant if other than the payee) or whether there is any other reason why settlement should not be made" by,
 - (a) Checking the register of indebtedness to determine whether the payee has been added to the list subsequent to the approval of his voucher by reason of his indebtedness to the AAA (indebtedness to other agencies of the Government shall be disregarded),
 - (b) Examining correspondence and case files since notice of an overpayment may have been received, and
 - (c) Examining the file copy of the computation schedule and related papers to verify the correctness of the previous certification of the payment.
3. If no reason exists why settlement should not be made to the payee in the amount originally certified, i.e., the payee is not indebted to the AAA and no overpayment has been made, an undated letter for the signature of the Acting Director of Finance shall be prepared with the original on letterhead stationery of the Office of Budget and Finance, Dept. of Agri., and five copies on regular copy paper and addressed to the Treasurer of the United States, Accounting Division, Washington, D. C.
 - (a) A certifying officer shall initial one copy other than the first copy, and his full name, title, and address shall be typed on all copies with the exception of the first copy. The original and first four copies (including the one which has not been initialed and from which the name and address of the certifying officer have been omitted) of the letter together with a copy of the request from the Treasury Department shall be forwarded to the Director.
4. If the allegedly forged check represents an overpayment certified to the payee and the check was not paid by the Treasury Department, the procedure outlined in paragraph 3 of this section B is applicable with the exception that the letter to the Treasury Department shall also include a statement that an overpayment exists in the account of the payee and request that the check be transmitted to the GAO in order

that proper settlement may be made and advise that an administrative report, relative to the account of this payee, has been prepared and is being transmitted to the GAO.

(a) An original and four copies of form AD-42 shall then be prepared in the following general form:

AD-42

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF BUDGET AND FINANCE
WASHINGTON, D. C.

General Accounting Office,
Claims Division.

The account of John Doe, _____ Street,
_____, application number
_____, has received administrative examination
in this department.

Amount claimed	\$200.00
Differences explained below	20.00
Approved for	180.00

Appropriation (Enter full symbol and title of appropriation against which check was drawn) \$200.00

According to the records of the _____ State office, Southern Division, AAA, the payment to the above-named claimant was originally certified for an amount \$20.00 in excess of that due by reason of an error in computing Practice No. 2 at the rate of \$2.00 per acre rather than at the rate of \$1.50 per acre. Payment is approved for \$180.00 in accordance with the attached documents. The Treasurer of the United States is being requested to forward check No. _____, dated _____, for \$ _____, drawn by G. F. Allen, Symbol No. _____, to the order of John Doe, D. O. Voucher No. _____, to the Claims Division, GAO.

Respectfully,

Acting Director of Finance

- (b) The full name and address of a certifying officer shall be entered upon all copies of form AD-42 and he shall initial two copies of form AD-42 beneath the words "Acting Director of Finance". The name, title, and initials of the certifying officer shall not appear in the original of form AD-42.
- (c) Form 28 shall be prepared as outlined in Section II, subsection B, paragraph 5 and Section III, subsection A, paragraph 4(e) hereof.
- (d) The original and four copies (including the one which has not been initialed and from which the name and address of the certifying officer have been omitted) of the letter to the Treas. of the U. S. and the original and three copies of form AD-42 and one copy of the request from the Treas. Dept. shall be forwarded to the Director.
- (e) File the copy of the letter to the Treas. of the U. S. and the copy of form AD-42 which were retained in the State office, and the copies thereof returned to the State office, alphabetically in order that, in the event of an inquiry, the payee may be advised of the action taken.
- (f) Upon receipt of form AAA-367,
 - (1) Insert the action taken by the GAO and the Certificate of Settlement number in form 28 under the heading "Action Taken",
 - (2) Forward one copy of form AAA-367 and a completed copy of form 28 to the State Accountant,
 - (3) Notify the county office by letter of the Certificate of Settlement number, the amount of the overpayment covered back into the appropriation, and the amount, if any, paid directly to the applicant,
 - (4) Enter the bureau voucher number under which the check in question was drawn and the Certificate of Settlement number of form AAA-367 on the copies of the letter to the Treas. of the U. S. and form AD-42.

5. If the allegedly forged check represents an overpayment to the payee and the letter from the Treas. of the U. S. indicates that the check was paid by the Treasury Department and recovered through the endorsers, the procedure outlined in paragraph 3 of this sub-

section B is applicable with the exception that the letter for the signature of the Acting Director of Finance shall include the following statement:

"An examination of the records relative to the (program and year designation) application, _____ in which this payee has an interest, discloses the fact that an overpayment of \$ _____, exists in the account of this payee and as a result thereof the payee is entitled to \$ _____ 1/. It appears that settlement should be made with _____ (Name of Payee) _____ in the amount of \$ _____ 1/ provided that he has not received the proceeds of the original check and that the amount of \$ _____ 2/ should therefore be deposited to appropriation _____.

"It is further requested that this office be notified when this action has been taken in order that the records may be completed."

(a) If the payee was not entitled to any part of the allegedly forged check which was paid by the Treasury Department and recovered through the endorsers, the letter shall contain the following statement:

"An examination of the records relative to the (program and year designation) application _____, in which this payee has an interest, discloses the fact that the payee is not entitled to any portion of the proceeds of the above check. The amount of the check should therefore be deposited to appropriation _____.

"It is further requested that this office be notified of the action taken in order that the records may be completed."

(b) The procedure outlined in subparagraphs (c), (d), (e), and (f) of paragraph 4 of this subsection B are applicable except that there will not be a copy of form AD-42 and a notice from the Treasury Department will be received in lieu of form AAA-367.

C. Misdelivery of a Treasury Check.

1. In cases where a check is erroneously delivered to a person other than the payee and is cashed by such person,

1/ Insert the difference between the amount of the check and the overpayment.

2/ Insert the amount of the overpayment.

- (a) The State office shall place such person's name on the register of indebtedness, taking care to properly identify the person.
- (b) Where set-off is made from payment for the person who erroneously cashed the check, a "dummy" application shall be prepared by the State office and submitted to the GAO accompanied by:
 - (1) A statement (signed by the Claims Clerk) setting forth in detail the facts in the case and certifying that the amount of the check (or a part thereof) has been refunded and credited to the appropriation against which the original payment was charged, and
 - (2) A statement by the person entitled to the payment certifying that he is entitled to the payment and that he did not receive the original check or the proceeds thereof.

SECTION VII - REQUESTS FOR THE RETURN OF NON-DELIVERED TREASURY CHECKS

A. Request for Check Held by DO.

1. Upon receipt in the State office of a request 1/ from the payee for the return of a Treasury check held by the DO the application whereunder the payment accrued and related forms should be examined to determine whether the proceeds of the check are due the payee; i.e., whether an overpayment has been made in his account or he is otherwise reported as indebted to the AAA (debts owed to other agencies of the Government are to be disregarded), or for any other reason payment should not be made as originally certified. If the check was drawn for an amount in excess of the amount due, the check shall be canceled and handled in accordance with procedure outlined in subsections E or F, section VIII, hereof. If the payee is indebted to the AAA the check shall be canceled and the payment vouchered, subject to deduction, under a dummy application in accordance with the set-off procedure. If the payment should not be made for reasons other than the ones enumerated above, the case shall be referred to the Director for consideration.

1/ If the check is held by the DO and the State office is satisfied that the claim is made in behalf of the proper party, the requirement of a statement from the payee may be waived. This provision is not applicable if the check is held by the GAO.

2. If the check is to be remailed to the payee, this action shall be requested by marking the appropriate block on form 1664-B and entering in the space provided the name and present address of the payee on the original and two copies. The first copy shall be signed and the original and second copy initialed by a certifying officer and the three copies returned to the DO.
3. The remaining copy of form 1664-B attached to the case file shall bear the same information as is shown on the copies returned to the DO and shall be placed in a closed file alphabetically by the payees' names.
4. Form 28 shall be completed and filed as follows:
 - (a) File one copy in the Claims Section by county code and application serial numbers with the request of the applicant for the checks.
 - (b) Forward one copy to the Association Treasurer to notify him that the DO has been requested to mail the check to the payee.
 - (c) File one copy with the application and related papers.

B. Request for Check Held by GAO

1. When a payee makes a request for the return of a check after it has been forwarded to the GAO, the procedure outlined in subsection A, paragraph 1, of this section VII, shall be followed, and,
2. If no reasons exist why settlement should not be made with the payee as originally certified, an original and four copies of form AD-42 shall be prepared in the following general form:

AD-42

UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF BUDGET AND FINANCE
WASHINGTON, D. C.

General Accounting Office,
Claims Division.

The accompanying 1/ account of John Doe _____ Street, _____, _____ application number _____, has received administrative examination in this department and is transmitted to you for settlement. 2/

Amount claimed: \$200.00

Difference explained below

Approved for _____ 200.00

Appropriation (Enter full symbol and title of appropriation against which check was drawn):

According to the records of the _____ State office, Southern Division, AAA, the claimant is entitled to the proceeds of Check No. _____, drawn _____, in the amount of \$ _____, by G. F. Allen, Symbol No. _____, to the order of John Doe, D. O. Voucher No. _____. Please forward the check to the claimant in accordance with his request which is attached.

Respectfully,

Acting Director of Finance.

The full name and address of a certifying officer shall be typed on all copies and he should initial two copies beneath the words "Acting Director of Finance". The name, title, and initials of the certifying officer shall not appear on the original.

3. The original and three copies of form AD-42, including the two initialed copies, the statement signed by the payee, and the certificate of the Association Secretary shall be forwarded to the Director. The other material shall be filed in the case file with two copies of form 1664-B. One copy of form 28 shall be forwarded to the Association Secretary and one copy filed with the related application.

- 1/ If the claim from the payee or other papers will not be attached to form AD-42, the word "accompanying" shall be deleted.
- 2/ If the claim from the payee or other papers will not be attached to form AD-42, the words "and is transmitted to you for settlement" shall be deleted.

4. One dated copy of form AD-42 will be returned to the State office by the Director and filed with the case file which is retained in the Claims Section, in order that, in the event of an inquiry, the payee may be notified of the date the claim was forwarded to the GAO.
5. A notice of the disposition made by the GAO of the claim will be furnished the State office by the Director and filed with the copy of form 28 which is retained in the Claims Section.
6. In the event additional information is requested by the Claims Division, GAO, reply to that office shall be prepared in sextuple (original on letterhead paper and five copies on regular copy paper) on stationery of the Office of Budget and Finance, Dept. of Agri., for the signature of the Acting Director of Finance. A certifying officer shall initial all copies with the exception of the first copy beneath the words "Acting Director of Finance", and his full name and address should be typed on all copies with the exception of the first copy. The original and four copies (including the one which has not been initialed and from which the name and address of the certifying officer have been omitted) of the letter shall be forwarded to the Director.

SECTION VIII - AMOUNT OF PAYMENT INCORRECT

A. General.

1. Whenever it is found that the payment made to a person(s) under an original application is in an amount in excess of that due, a statement by the county committee as to whether the person(s) receiving the overpayment knowingly misrepresented any fact in connection with the application which resulted in his receiving payment in excess of that due, must be attached to the adjustment application or submitted separately if no adjustment application is filed. All such cases must be handled in accordance with the procedure outlined in this section VIII and the instructions set forth in ACP-115, "Procedure Governing the Handling of Cases Involving Overpayment under Any Program Administered Through the Agricultural Adjustment Administration".

2. Where Original Application Was Overpaid.

- (a) The name of the person(s) receiving the overpayment(s) shall be entered immediately on the State office register of indebtedness unless recovery has been effected.
- (b) The corrected application or other data reflecting the overpayment shall be referred to the GAO.

- (1) If the overpayment results in an underpayment to one or more other persons the GAO will examine and return the file to the State office, to be held pending recovery of the overpayment.
- (2) If the overpayment did not result in an underpayment to another producer the corrected application will be retained by the GAO.
- (c) The person(s) receiving the overpayment, if such amount has not been refunded, shall be requested to submit a refund.

B. Where Amount of Check is Less than that Due Because of an Error in the Application.

- 1. When a Treasury check has been issued for less than the amount due because of an error in the application and the payee makes claim for the balance due, the application and supporting forms which substantiate the claim must be executed in the manner prescribed for the execution of any original forms except that:
 - (a) The serial numbers thereof must be the same as those assigned to the original forms followed by the notation "Adj."
 - (b) The application need not be signed by persons not affected by the claim, but the interest of every person, whether affected or not, must be shown.
 - (c) The application must be accompanied by an explanation from the claimant(s) in the form of a statement, in duplicate, which sets forth the circumstances of the case. The statement must be signed by every person who signed the adjustment application. The county committee must approve the statement.
- 2. The adjustment application received from the county office shall be computed on the basis of the applicable rates of payment. The amounts of the payments due all of the parties shall be circled. The adjustment application must be compared with the copy of the original application to determine that the adjustment application will result in an increased payment and whether the amounts certified for the other applicants have been altered thereby. If it is found that the persons affected adversely by the increased payment have not signed the adjustment application, a statement by the county committee satisfactorily explaining the inability to secure the additional signatures must be attached.
- 3. The amounts of the payments for the individual applicants, as computed under the original application shall be subtracted from

the corresponding amounts computed under the adjustment application and the differences entered beside the circled amounts on the adjustment application.

4. Vouchers and Schedules of Disbursements must be prepared in accordance with procedure for regular applications with the exception that one additional copy may be prepared for the files of the Claims Section, if desired. Adjustment applications should not be scheduled with other applications.
5. The adjustment application and the original of the statement of explanation referred to in paragraph 1 above, and the usual number of copies of the vouchers and schedules of disbursement shall be forwarded to the GAO, accompanied by a memorandum in which the previous amounts certified are identified by reference to the former numbers, dates, and amounts of checks and the "D. O. Vou. No." and the date under which the application was previously paid.
 - (a) If the payment being scheduled is an amount recovered by set-off, the adjustment application may be submitted to the GAO prior to receipt of an accomplished copy of form 1096 from the DO, provided a memorandum to the GAO is attached citing the bureau Vou. No. of the voucher in connection with which the set-off was made.
 - (b) If no refund is secured from the person overpaid on the original application, the amount by which such person was overpaid cannot be certified to the underpaid producer until a refund, by set-off or otherwise, of such amount, or a part thereof, is recovered.
 - (1) If the full amount of the overpayment has been recovered, payment shall be certified to the underpaid producer in accordance with the provisions of this paragraph 5 outlined above.
 - (2) If a partial amount of the overpayment has been recovered, payment thereof shall be certified to the underpaid producer in accordance with the provisions of this paragraph 5 and in addition a form SRM-440, "Administrative Exception," shall be prepared (in triplicate) as follows:
 - a. The data to be entered in the upper right corner and in section 1 shall be entered in accordance with instructions issued relative to form SR-417, "Notice of Payment Withheld".
 - b. Enter in the heading of the form the program designation, e. g., "1939 Agricultural Conservation".

g. Enter in the first line of section 2 the form number of the original application certified for payment, the Bureau schedule number, the Adm. Vou. No., the date of certification and the amount, if any, certified to the underpaid producer.

d. Enter in the second line of section 2 (at the time of scheduling) the form number of the adjustment application being certified for payment, the Bureau schedule number, the Adm. Vou. No., the date of certification and the amount certified.

e. Enter in the space provided in section 3 the amount withheld pending recovery thereof from the overpaid producer. (The amount entered in section 3 plus the amount(s) in section 2 must equal the sum of the amounts in section 1.)

f. A certifying officer, or a person designated by a certifying officer, must sign in the space provided in section 3 the copy of the form to be submitted to the GAO.

g. Enter in the space marked "Date withheld" in section 3 the date the form 440 is signed.

h. Enter in the space marked "Transmittal No." in section 3 the transmittal sheet on which the related adjustment application is listed.

i. Make no further entries on the form 440 at this time.

j. The signed copy of the form 440 shall be attached to the related adjustment application and the original and one copy shall be retained in the Claims Section pending recovery of an additional amount from the overpaid producer.

(3) If the remaining amount is recovered, it shall be certified on the original of the form 440 (without a "dummy" or any other kind of an application) as follows:

a. Enter in the space provided in section 4 the amount being certified. (The amount entered in section 4 plus the amount(s) in section 2 must equal the sum of the amounts in section 1.)

- b. A certifying officer, or a person designated by a certifying officer, must sign in the space provided in section 4, the original form 440. The date submitted shall be the date the form 440 is signed and the transmittal number shall be the number of the transmittal sheet on which the form 440 is listed. Make no entries in the space provided for the Bureau Schedule No., the Adm. Vou. No., or the D. O. Vou. No. in the upper right corner. The State office shall make available to the GAO the copy of each schedule of disbursements received from the DO in order that the GAO may record the schedule and voucher numbers and enter them on the forms 440.
- (4) If only a part of the remaining amount is recovered, it shall be certified in accordance with (3) above and in addition another form 440 shall be prepared in accordance with (2) above with the following exceptions:

 - a. On the third line in section 2 of the second form 440 prepared, enter "Form 440" as the form number, the Bureau schedule number, the Adm. Vou. No., and the date and amount certified on the form 440 being certified for payment. (In this case the sum of the amounts in section 2 plus the amount entered in section 3 must equal the sum of the amounts in section 1.)
 - b. Attach a signed copy of the second form 440 to the original of the form 440 being certified for payment (which must also be signed) and retain the original and one copy of the second form 440 in the Claims Section pending recovery of an additional amount from the overpaid producer.
- (5) In case additional partial amounts of the remaining amount are recovered, the partial amounts shall be certified and additional forms 440 prepared in accordance with (4) above.
- 6. The material not sent to the GAO shall be routed to the appropriate files in accordance with procedure relating to regular applications.
- 7. The material received in connection with the claim shall be placed in the appropriate files and the association secretary notified of the exceptions taken to the claim for an addi-

tional payment which may not be allowed. Any payments which have been withheld pending the settlement of the claim which has not been allowed shall be released in accordance with existing procedure.

C. Where Amount of Check is Less than that Due Because of Error in State Office.

1. A claim for an amount due under an application which has been erroneously scheduled or computed by the State office should be made in the form of a direct request therefor over the signature and present address of the applicant affected.
2. The State office copy of the original application shall be examined to determine that the claim is not based upon an error in the execution of the original application which would require the procedure outlined in subsection B of this section VIII.
3. A dummy application shall be prepared and computed. Payment may be made only to the applicant(s) making a claim therefor.
4. Vouchers and Schedules of Disbursements shall be prepared in accordance with procedure outlined with respect to regular applications with the exception that one additional copy may be prepared for the files of the Claims Section, if desired. This payment should not be scheduled with other applications.
5. The State office copy of the original application and the original of the related adjustment application, the original of the written request of the applicant, and the usual number of copies of the vouchers and schedules of disbursements shall be forwarded to the GAO accompanied by a memorandum to that office in which the previous amount certified is identified by reference to the number, date, and amount of the check and the "Disbursing Officer's Voucher Number" and the date under which the original application was paid.
6. The material not sent to the GAO shall be routed to the appropriate files in accordance with existing procedure.
7. When the error alleged cannot be found, the material shall be filed and the Association Secretary and the claimant notified (in writing) of the exceptions taken. Any payments which may have been withheld pending the settlement of the disallowed claim shall be released in accordance with existing procedure.
8. If the error in the State office which caused the claimant to be underpaid resulted in an overpayment to one or more of the other applicants, a complete statement as to the nature of the error must accompany the case to the GAO. If the person receiving the overpayment has not refunded it, the amount of underpayment cannot be certified until a refund, by set-off or otherwise, is secured.

D. Where a Check has been Returned in Connection with Payment Made for Less than Amount Due.

1. The material which has been submitted in connection with the return of a Treasury check which was issued for less than the amount due shall be examined and an adjustment (or dummy) application prepared in accordance with subsection B, or C, hereof, whichever is applicable.
2. The returned Treasury check should not be canceled but should be returned to the payee in the manner outlined in subsection A or B of section VII, hereof, whichever is applicable,
3. The material shall be forwarded to the GAO in accordance with subsection B, paragraph 5, or subsection C, paragraph 5 of this section VIII, whichever is applicable.

E. Where Amount of a Returned Check is in Excess of that Due Because of Error in Application.

1. The corrected application and related forms submitted in connection with a check which has been returned because it is in excess of the amount due through an error in the original application shall be prepared in the manner prescribed for any original forms except that:
 - (a) The serial numbers thereof must be the same as those assigned to the original forms followed by the notation "Adj."
 - (b) The applicant(s) need not sign the corrected application.
2. The corrected application shall be computed and payments for the applicants not affected thereby shall be circled.
3. The Treasury check(s) returned in connection with the claim shall be canceled as outlined in section III hereof.
4. The record of the disposition of the checks shall be entered on the reverse side of the original and remaining copies of form 1664-B. The original of form 1664-B shall be placed in the closed file and the duplicate copies thereof stapled to the State office copy of the original application.
5. Vouchers and schedules of disbursements must be prepared in accordance with procedure outlined for regular applications with the exception that one additional copy may be prepared for the files of the Claims Section, if desired. The adjustment application should not be scheduled with other applications.

6. The adjustment application, the original of the statement of explanation, one copy of form 28 with respect to each canceled check, and the usual number of copies of the vouchers and schedules of disbursements shall be transmitted to the GAO.
7. The material not sent to the GAO shall be routed to the appropriate files in accordance with existing procedure.
8. A copy of form 28 shall be filed by county code and application serial numbers in the Claims Section.
9. Any payments which may have been withheld pending the settlement of the disallowed claim shall be released in accordance with existing procedure and the Treasury checks returned to the DO in connection with but which were not involved in the overpayment shall be released in accordance with the procedure outlined in section VII hereof.

F. Where Amount of Returned Check is in Excess of that Due Because of Error in State Office.

1. When a Treasury check has been returned because of an error in computing or scheduling the payment by the State office, a copy of the original application shall be prepared (the signature of the applicants, county committeeman, and the Association Secretary, are not necessary).
2. The Treasury check(s) returned in connection with the claim shall be canceled as outlined in section III hereof.
3. Forms 1664-B shall be filed in accordance with subsection E, paragraph 4 of this section VIII.
4. A dummy application and the necessary copies of vouchers and schedules of disbursements shall be prepared in accordance with the instructions contained in subsection E, paragraphs 2 and 5 of this section VIII.
5. The case shall be routed to the proper offices in accordance with paragraphs 6 and 7 of subsection E of this section VIII.

G. Where Remittances Other than Treasury Checks are Received in Connection with a Payment Made in Excess of Amount Due.

1. When a remittance other than a Treasury check is received because a payment was made in excess of the amount due, the material submitted shall be examined in accordance with subsections E or F of this section VIII, whichever is applicable.
2. The remittance shall be scheduled for collection to the credit of the appropriation account if it is determined that the amount

of the remittance is the exact difference between the amount due and the amount paid or not in excess thereof and a copy of form 28 shall be filed with the adjustment application.

3. If it is found that the refund is less than the amount due, the association secretary shall be advised of the amount and requested to secure the additional sum.
4. The remittance must be scheduled for collection to the credit of the regular special deposits account if it is determined that the amount of the remittance is greater than the difference between the amount due the applicant and the amount paid him or that no refund should have been made by the applicant under the application.
5. After the amount of the refund due has been determined, this amount shall be transferred to the appropriation account and the balance of the remittance, if any, refunded to the depositor. A copy of form 28 shall be filed with the adjustment application.

SECTION IX - NAME OF PAYEE INCORRECTLY WRITTEN OR ERRONEOUSLY PLACED ON CHECK

A. General

1. Whenever it is found that a check has been issued to a payee who was not rightfully entitled to receive payment under an application, a statement by the county committee as to whether the payee receiving the check knowingly misrepresented any fact in connection with the application which resulted in his receiving payment to which he was not entitled, must be attached to the adjustment application or submitted separately if no adjustment application is filed. All such cases must be handled in accordance with the procedure outlined in this section IX and the instructions set forth in ACP-115, "Procedure Governing the Handling of Cases Involving Overpayment under any Program Administered Through the Agricultural Adjustment Administration".

B. Treasury Check Returned Because of Error in Application.

1. When a Treasury check is returned because the payee named thereon is not entitled to the payment or the payee was erroneously shown on the application, the application and supporting forms which support the claim must be executed in the manner prescribed for the execution of any original forms with the exception that,
 - (a) The serial numbers thereof must be the same as those assigned to the original forms followed by the notation "Adj."

- (b) The application need not be signed by persons not affected by the claim or show their shares.
- 2. The statement of explanation which accompanies the adjustment application must,
 - (a) Be prepared in duplicate,
 - (b) Be signed by every person who signs the adjustment application,
 - (c) Recommend the cancelation of the incorrectly issued check and the issuance of a new check to the claimant; and
 - (d) Set forth all of the facts which justify the consideration of the claim.
- If the person whose name erroneously appears on the application and the check submits a statement, the statement shall disclose the fact that he has no interest in the application or the proceeds of the check.
- 3. The Treasury check(s) returned in connection with the claim shall be canceled as outlined in section III hereof.
- 4. The records of the disposition of the checks shall be entered on the reverse side of the original and copy of form 1664-B. The original of the form 1664-B shall be placed in the closed file and the duplicate copies thereof stapled to the State office copy of the original application.
- 5. The vouchers and schedules of disbursements must be prepared in accordance with procedure outlined for regular applications with the exception that one additional copy may be prepared for the files of the Claims Section, if desired. The adjustment application should not be scheduled with other applications.
- 6. The adjustment application, the original of the statement of explanation, one copy of form 28, and the usual number of vouchers and schedules of disbursements shall be transmitted to the GAO.
- 7. The material not sent to the GAO shall be filed in accordance with existing procedure.

C. Treasury Check Returned Because of an Error in the State Office.

- 1. When a check is returned because the State office erroneously scheduled the payment, claim by the person entitled to the payment shall be submitted to the State office in duplicate approved by the Association Secretary.

2. The check(s) returned in connection with the claim shall be canceled in accordance with section III hereof.
3. At the time the copy of form 1098 is returned from the DO, the case shall be handled in accordance with the procedure outlined in subsection B, paragraphs 4, 5, 6, and 7, of this section IX.

D. Remittance Other than Treasury Check is Received.

1. When a remittance other than a Treasury check is received because the name of the payee was written incorrectly or erroneously placed on the check, the material submitted in connection therewith shall be examined in accordance with subsection B, paragraphs 1 and 2 of this section IX, or subsection C, paragraph 1 of this section IX, whichever is applicable.
2. If the refund is determined to be due and the remittance is in the exact amount, or not in excess of the exact amount, of the incorrect payment under which the claim is made, the remittance shall be scheduled for collection to the credit of the regular appropriation account and new check issued to the proper applicant in accordance with procedure outlined in section VIII, subsection G, hereof.
3. If the amount of the remittance is less than that due, the county office shall be notified and appropriate action taken to secure the additional sum.
4. When it is determined that the remittance is in excess of the amount of the incorrect payment, i. e., a portion of the amount of the remittance is to be refunded to the remitter, the remittance must be scheduled for collection to the credit of the regular special deposits account, and the procedure outlined in section V hereof should be followed.
5. When the amount due the correct payee has been covered into the appropriation by the use of form 1046, Revised, the procedure outlined in section VIII, subsection G, hereof, shall be followed.
6. If it is determined that the refund should not have been made, the remittance must be scheduled for deposit to the credit of the regular special deposits account and refunded to the applicant submitting the remittance as outlined in section V, subsection B, hereof.

SECTION X. - DUPLICATE CHECKS ISSUED TO REPLACE A LOST CHECK

A. Treasury check returned.

1. When a duplicate check is issued to replace a lost check and the original check is found,

- (a) The original check should be returned to the DO by the county office in accordance with instructions issued by the Treasury Department, and
- (b) If the check is forwarded to the State office from the DO, the check should be canceled in accordance with the procedure outlined in Section III hereof. In these cases a form ACP-28 shall be prepared in the usual manner and the statement to be inserted under the words, "Action Taken", should set forth (for the State accountant) that the amount of the check should not be posted to the allotment ledger.

B. Remittance other than Treasury check Received.

1. If both the original and duplicate checks are cashed by the payee, his name shall be placed on the register of indebtedness and demand should be made immediately that he refund the amount of the duplicate payment.
 - (a) When refund (or set-off) is made, the remittance (or amount to be set-off) should be deposited for collection to the credit of (or credited to) the regular appropriation account if the amount thereof is the exact amount or is not in excess of the exact amount of the duplicate check.
 - (b) If the amount of the remittance is in excess of the duplicate check, the remittance should be credited to the regular Special Deposits account and the procedure outlined in section V hereof shall be followed.
2. The statement to be inserted in form 28 under the words, "Action Taken" should set forth a complete reference to the issuance of the duplicate check and refund by remittance (or set-off) in order that the State Accountant may post the disbursement and collection at the same time.

SECTION XI - HANDLING CLAIMS FOR PAYMENTS ACCRUING TO THE ESTATES OF PERSONS WHO HAVE DIED, DISAPPEARED, OR BEEN DECLARED INCOMPETENT

A. General.

1. If the claim and any documents submitted in connection therewith are found to conform with the requirements of this section XI, payment may be voucherized and scheduled to the claimant in accordance with the provisions of subsection D or E of this section XI, whichever is applicable.
2. Where claim is made by a married woman, the name and signature must show the full Christian name, additional initials, if any,

and surname instead of the husband's initials or first name, unless the married woman is acting under a court order or trust agreement in which case the name and signature must agree with the name as set forth in the instrument or a statement must be attached by the county committee to the effect that the person signing is the same person as the person named in the instrument.

3. If, for any reason, the claim cannot be allowed, the claimant shall be advised by letter of the reason(s) for disallowance. The county office should be furnished with a copy of the letter. The disallowed claim should be placed in a file alphabetically (by name of the decedent) pending renewal of the disallowed claim or submission of a claim by some other person.
4. Claims submitted for the proceeds of a check under a program where the appropriation is no longer available for expenditure and the producer died or disappeared on or before August 16, 1940, shall be executed on form 1055 and in cases where the producer died, disappeared or was declared incompetent after August 16, 1940, should be executed on form ACP-103. These claims shall be handled in accordance with the applicable procedure set forth in subsection B or subsection C hereof and, if otherwise regular, shall be transmitted to the Director accompanied by a properly executed form AD-42. The form AD-42 shall show the lapsed appropriation as the appropriation chargeable. In addition to the usual statements in the administrative report, the report shall also contain a statement to the effect that the amount approved was included in the unexpended balance of the appropriation carried into the surplus fund (date) (the date the appropriation ceased to be available for expenditure). In connection with claims for proceeds of checks due decedents or incompetents, the administrative report shall also contain complete citation to the issuance of the Treasury check and its cancellation. If approved by the Southern Division, the claim will be transmitted to the Claims Division, GAO, through the Office of Budget and Finance, Dept. of Agri., for direct settlement. (The GAO presents a list of approved cases to Congress at the beginning of each session and settlement thereon is made after the necessary appropriation is made.)

B. Audit of form 1055. (Applicable only to claims submitted under the sugar programs and to claims submitted under the various agricultural conservation programs and 1940 Parity Payment Program where the producer died or was declared incompetent on or before August 16, 1940, and all claims for proceeds of checks drawn payable to an assignee who has died or been declared incompetent.)

1. Cases involving certification for payment to an executor,

administrator, guardian, or committee. 1/

- (a) Form 1055 must be executed by the claimant in duplicate.
- (b) Paragraphs 1, 2, 4, and 5 must be properly completed by the claimant to disclose the information indicated.
- (c) Any additional facts upon which the claim is based should be set out in paragraph 6(j). Subparagraphs (a) to (i), inclusive, of paragraph 6 and affidavit of corroborating witnesses need not be executed.
- (d) If the date of death (or adjudication or declaration of incompetence) and the domicile of the decedent or incompetent are shown in the court order, the certificate of notary public is not to be required.
- (e) Form 1055 must be supported by a certified copy of the court order appointing the executor or administrator filing claim or by a short form certificate of the appointment. If such certificate or certified copy of the court order shows the appointment to have been made more than one year prior to the date the claim and related schedule and voucher will be received in the preaudit office, a certification, by the court making the appointment, to the effect that such appointment is in full force and effect must be secured by the claimant.
- (f) Where the decedent died intestate and it appears that a claim is filed by a public administrator on form 1055, there must be a showing either that:
 - (1) There are persons entitled to share in the estate under the laws of the domicile of the decedent, or
 - (2) That there are creditors of the estate, or
 - (3) That there are assets of the estate other than the amount due from the United States.

2. Cases involving certification for payment in accordance with the laws of distribution of the domicile of the decedent, without the appointment of an executor or administrator.

1/ In the absence of a State statute establishing a higher limit, administration will be required where the total payments due the estate of the decedent exceed \$500.00. Where a higher limit is established by the law of the decedent's domicile, the provisions of such statute shall govern as to the amount payable without administration.

(a) Form 1055 must be completely executed except for paragraph 5 thereof, to show the following facts:

- (1) That the decedent died intestate.
- (2) The amount due from the United States must not exceed the maximum amount, prescribed by the State statute of the domicile of the decedent, for estates upon which administration need not be had. 1/
- (3) Funeral expenses must have been paid if the law of the domicile of the decedent allows undertakers statutory preference, as creditors, over the heirs-at-law or next of kin. An itemized, receipted undertaker's bill must be submitted by the claimant to show payment of the funeral expenses or a notation entered on the form 1055 to the effect that no funeral expenses were incurred. If the funeral expenses have not been paid, a waiver (Form ACP-73) signed by the officiating undertaker is required.
- (4) If paragraph 6 of form 1055 indicates that the funeral expenses were paid by someone other than the claimant and out of funds not belonging to the estate of the intestate, there must be furnished a waiver of right to claim (Form ACP-73) signed by the person paying the funeral expenses.

(b) The affidavit of two witnesses must be completely executed and the form 1055 properly notarized.

(c) The applicant, whether he claims personally or through a duly authorized representative (power of attorney) must be a person entitled under the laws of the domicile of the decedent to share in the payment accruing to the estate of such decedent. This provision shall be applicable regardless of the location of the farm upon which the payment accrued. If such domicile is a State other than that in which the payment claimed was certified, the claim shall be transmitted to the GAO with request that the case be referred to Washington.

(d) If there are adult heirs shown, in paragraph 6(f) of form 1055, to be entitled to share in the payment, payment may be made to the claimant only of the amount to which he is entitled unless a properly executed trust agreement (Form AAA-378) is submitted, signed by such adult heirs who have not signed form 1055.

1/ See footnote 1, page 50.

- (e) If there is submitted a trust agreement signed by a person or persons entitled to share, designating a trustee to receive payment, payment may be made to the trustee, who has submitted form 1055 properly executed by him as trustee, in the amount equaling the respective shares of the trustee, if any, and the shares of the persons appointing the trustee.
- (f) If form 1055 is executed by one person pursuant to the duly executed power of attorney of a person entitled under the laws of the domicile of the decedent to share in the payment, the share of the payment due the grantor of the power of attorney shall be scheduled and voucherized for payment to the principal (grantor) and not to the person who has been granted the power of attorney. A power of attorney shall be construed to empower the agent only to claim, and not to receive, payment on behalf of his principal. If claim is filed by one person on behalf of another pursuant to a power of attorney, the power of attorney must specifically authorize the agent to claim the proceeds of the payment for the principal.
- (g) In every case the age of the claimant must be shown on form 1055. (It is to be noted that no provision is made on form 1055 for this information. The age of the applicant shall appear immediately following the name of the claimant in paragraph 1 of the form.)
- (h) If a waiver of right to claim is submitted signed by a person who otherwise would be entitled to share in the payment as an heir or next of kin under the applicable laws, he must be shown to have attained an age of majority. If a waiver is signed by a creditor of the estate of the decedent, the age of the creditor need not be shown.
- (i) If it is determined that there are adult heirs entitled to share in the payment who have claimed or authorized another to claim for them in accordance with the provisions of this subsection B the respective shares of each adult heir shall be voucherized and scheduled payable to them individually, except:
 - (1) In the case of a trust agreement,
 - (2) As provided in subparagraph (d) (1), paragraph 1, subsection D of this section XI.
- (j) If there are persons entitled to share in the payment who have neither filed claim, nor waived, nor delegated their right to claim, they shall not be paid until claim is filed in accordance with the provisions of subsection B of this section XI, as amended, except:

- (1) As provided in subparagraph (d) (3), paragraph 1, subsection D of this section XI.
- (k) If the amount of the check claimed is in excess of \$100.00 the ages of the heirs, whose names are shown in paragraph 6(f) of form 1055, must be set forth immediately following their names in such paragraph. If the amount is \$100.00 or less this information is not necessary.

3. Cases involving certification for payment to a creditor of the estate of the decedent.

- (a) If form 1055 is submitted, executed by a creditor of the estate of the decedent, there must be furnished a waiver of right to claim (Form ACP-73) from other creditors of the same or greater degree of preference under the laws of the domicile of the decedent, or else a showing that there are no other such creditors.
- (b) A person, whether he be an heir, the next of kin, or in no way related to the decedent, who has paid a preferred creditor out of funds not belonging to the estate of the decedent, is by this payment subrogated to the creditor's statutory preference and claim by him shall be made as creditor in accordance with subparagraph (a) above of this paragraph 3. If, after allowance of the preferred claim, there remains an amount due the estate of the decedent, the remaining amount is for payment in accordance with the provisions of this subsection B, governing payments to persons other than creditors.

4. Cases involving certification for payment to the widow and/or the minor heirs of a decedent in accordance with an allowance of personal property set aside by order of the court.

- (a) Inasmuch as exempt allowances in favor of widows and/or minor children of decedents are predicated upon some court action, claims based upon such allowances shall be referred to the Director, together with the order making the allowance, or a certified copy thereof.

5. Cases involving certification for payment to a minor, his guardian, or custodian.

- (a) Where a minor is entitled, under the applicable State laws, to all or a part of the payment, and payment is certified to him, his guardian or custodian, pursuant to claim therefor on form 1055, there must be showing of one of the following:
 - (1) Letters of Guardianship, certified copies thereof, or a Short Certificate of Letters of Guardianship.

- (2) An affidavit, by any person having knowledge of the facts, that the minor is competent to receive and handle funds, or
- (3) That the minor is in the care and custody of the person claiming on behalf of the minor, by use of form 1055. In such a case the amount found to be due the minor shall be vouchered for payment in the following style: "Mary Jones, for the support and benefit of William Jones, Minor." There must appear in paragraph 6(j) of form 1055 or in supporting affidavits, a statement of the relationship between the custodian and the minor and the circumstances of the custodianship.

C. Audit of forms ACP-103. (Applicable to all claims submitted under the 1939 Price Adjustment Payment Program and to claims submitted under all agricultural conservation and to the 1940 and future Parity Payment Programs where the producer died, disappeared, or was declared incompetent after August 16, 1940.)

1. The Claims Section shall examine forms ACP-103 to determine that:
 - (a) The State and county code numbers have been entered in the upper right corner of the form.
 - (b) The name of the county has been entered below the State and county code numbers.
 - (c) The names of the producer whose name appears in paragraph 1 is or was the person to whose order the check(s) representing the payment(s) for which claim is being made was drawn.
 - (d) There is a showing in paragraph 1 that the payee died, was declared incompetent, or disappeared.
 - (e) The date of death, declaration of incompetence, or disappearance of the payee is subsequent to the date on which the producer signed the application.
 - (1) If the claim is based upon disappearance of the payee the date of disappearance as shown in paragraph 1 must be at least three months prior to the date the form was approved by a county committeeman.
 - (f) The form number of the application(s) ^{1/} signed by the

1/ Claims for the proceeds of two or more checks drawn payable to the order of a payee who is deceased, has disappeared, or who has been declared incompetent, may be filed on a single form ACP-103 if the payments for which claim is made were issued under applications with respect to farms located in the same county.

producer named in paragraph 1 has been entered in the space provided.

- (g) The correct serial number(s) of such application(s) has been entered in the space provided.
- (h) The check number(s), amount(s), and the D. O. symbol number(s), have been entered in the spaces provided. If any such item is incorrect, it shall be corrected by the Claims Section.
- (i) Each person whose name appears in paragraph 2 is eligible to share in the proceeds of the payment(s) claimed, pursuant to the regulations.
 - (1) If form ACP-103 is signed by a person(s) entitled under the regulations to share in the payment and by a person(s) not so entitled under the regulations, the claim by the former may be paid without regard to the claim by the latter.
- (j) The mail address of each person entitled to share in the payment has been shown.
- (k) Each person's relationship to the payee has been entered in the space provided.
 - (1) If the payee is deceased and the name of a grandchild of the decedent appears in paragraph 2, the name of the grandchild's parent, together with a notation to the effect that the parent is deceased must also appear in paragraph 2.
 - (2) If the payee is deceased and the name of a niece or nephew appears in paragraph 2, the name of the parent of such niece or nephew, together with a notation to the effect that the parent is deceased, must also appear in paragraph 2.
 - (3) If the payee is deceased or incompetent and form ACP-103 has been filed by a person(s) claiming under the provisions of the respective State laws, the name of the State in which the payee was domiciled at the time of death or declaration of incompetence must appear at the close of paragraph 1 of form ACP-103.
 - (4) If the payee is incompetent and claim is filed by any person who under the regulations is eligible to receive payment, other than a guardian or committee,

payment may be made to the claimant only if the (total) amount of the check(s) listed in paragraph 1 does not exceed the sum of \$500.00. If the total amount of the check(s) exceeds the sum of \$500.00, payment may be made only upon submission of a claim by a legally appointed guardian or committee.

- (1) If the name of a minor or incompetent appears, the name of the minor or incompetent is also listed in paragraph 2.
 - (1) The name, address, and capacity of the person acting on behalf of the minor or incompetent must also be entered in the applicable spaces in paragraph 3.
 - (2) If a minor is entitled to all or a share of the payment accruing to the estate of a deceased payee, the amount to which he is entitled may be paid to the legal guardian, or, if none, to the natural guardian, provided that the amount to which the minor is entitled does not exceed the sum of \$500.00. If the amount to which the minor is entitled exceeds the sum of \$500.00 payment thereof may be made only to his legally appointed guardian.
- (m) Each claimant's signature appearing in paragraph 4 agrees with the name of the claimant as it appears in paragraph 2, except that the signature of any person claiming on behalf of a minor or an incompetent must agree with the claimant's name as it appears in paragraph 3.
- (n) Any person claiming in a representative or fiduciary capacity has indicated that capacity and the name(s) of the person(s) in whose behalf he is claiming.
- (o) Any signature by mark or in other than English script has been properly witnessed.
- (p) That the signature of a county committeeman, and the date of signature, appears in part II of the form.

2. After determining that form ACP-103 has been properly executed, the Claims Section shall compute the amount to which each person whose name appears in paragraph 2 is entitled. The amount to which each such person is entitled shall be determined in accordance with the applicable paragraphs of the regulations. If there are persons entitled to all or a part of the proceeds of the payment who have not claimed, either personally or through a representative, the amount to which these persons are entitled shall be withheld pending submission of a proper claim.

3. If the name of a person coming within a higher classification of preference than that of the claimant(s) does not appear in paragraph 2, it shall be assumed that no person(s) coming within a higher classification of preference than that of the claimant(s) exists, e.g., if form ACP-103 is filed by a child or children of a deceased payee, it shall be assumed that the decedent was not survived by a widow and, further, that no executor or administrator has been or will be appointed, unless the contrary is indicated by the appearance of the name of the widow, or of the administrator, in paragraph 2.
4. Payment may be made only to those persons who have filed claims personally or through an authorized representative, and who are entitled under the regulations to all or a share of the payment accruing to the estate of a deceased payee.
5. If claim is filed by an emancipated minor, i.e., a minor who by legal process has caused his disability to be removed, he must have submitted a statement, to the following effect: "I, John Doe, hereby certify that my disability as a minor was removed by legal process on (date) ". This statement must be securely attached to the related form ACP-103.

D. Preparation of Vouchers and Schedules for Payments for Claims Cases Wherein Neither the Original Payee nor the Claimant is Indebted to the AAA.

1. If it is determined that the claimant is entitled to all or part of the payment due, the amount the claimant is entitled to may be voucherized and scheduled for payment to him by preparing the regular vouchers and schedules of disbursement, in accordance with the procedure for voucherizing and scheduling payments under regular applications for payment, with the following exceptions:
 - (a) If two or more checks issued under different commodity or program applications are listed on the same form ACP-103, a separate set of voucher and schedule forms must be prepared for each commodity or program with respect to which payments are to be made to the claimant(s).
 - (b) One additional copy shall be prepared for the files of the Claims Section.
 - (c) Enter the code "(C)" immediately following the administrative voucher number.
 - (d) Claims approved on form 1055:
 - (1) Payments shall be voucherized and scheduled to the claimants individually except in cases involving

payment to a trustee or custodian or to the widow and minor heirs of the decedent. Payment to a trustee shall be styled in the following manner: "John Doe, Trustee for all the heirs of Richard Doe, deceased". The nature of the trust must be set out on the voucher or schedule.

(2) If it is found that all or part of the amount due is payable to the widow (or widower) and the minor heirs of the decedent, the payment, or portion thereof, may be vouchered and scheduled as follows:

- a. Where there are no more than two minor heirs, the payment may be vouchered and scheduled to the widow (or widower) and minor heirs by name, e.g., Mary Doe, for herself and as custodian of James Doe and Jane Doe, minor heirs of John Doe, deceased.
- b. Where there are more than two minor heirs, the payment may be vouchered and scheduled to the widow (or widower) and minor heirs as a class, e.g., Mary Doe, for herself and as custodian of the minor heirs of Joe Doe, deceased.
- c. The provisions of this subparagraph (d) are to be ordinarily confined to cases wherein the amounts of checks and/or payments claimed on a single form 1055 are not in excess of the sum of \$100.00.

(3) If a decedent has died leaving a surviving spouse and children and a claim is submitted by the surviving spouse, the amount claimed may be vouchered and scheduled to the claimant as "widow (or widower and representative of the heirs of decedent) deceased," provided, however, that the amount of payment is \$100.00 or less.

(4) If the amount of the check claimed is in excess of the sum of \$100.00, it becomes necessary to establish the ages of all children of the decedent.

(e) Claims approved on forms ACP-103:

(1) Payments shall be vouchered, for each claimant entitled to receive payment, in the manner in which the check should be drawn, i.e.,

a. Payment to an administrator, executor, conservator, or liquidator shall be vouchered in

a manner indicating the capacity in which the claimant is entitled to payment.

- b. Payment to the widow or any other relative of a deceased payee shall be vouchered for payment to the claimant(s) in a manner indicating the capacity in which the claimant(s) is entitled to receive payment, e.g., "Susan Bell, widow of James Bell, deceased."
- c. Payment to the wife or other relative of an incompetent payee shall be vouchered in a manner indicating the capacity in which the claimant is entitled to receive payment, e.g., "Susan Bell wife and for the benefit of James Bell, incompetent" or "John Bell, adult son and for the benefit of James Bell, incompetent", except that,

 - 1. If claim was filed under item (5) of the section of the regulations pertaining to incompetency, the payment shall be vouchered so as to indicate that the proceeds of the payment are to be used by the claimant for the benefit of the estate of the incompetent, e.g., Charles Bell, (relationship to incompetent) and for the benefit of James Bell, incompetent.
 - d. Payment to the wife of a payee who has disappeared shall be vouchered in the following manner: "Susan Bell, wife of James Bell, disappeared."
 - e. Payment to an adult son, daughter, grandchild, brother, or sister of a payee who has disappeared shall be vouchered for payment to the claimant for the benefit of the estate of the payee who has disappeared, e.g., "John Bell adult son of and for the benefit of the estate of James Bell, disappeared", or "Mrs. L. A. Bell, mother of and for the benefit of the estate of James Bell, disappeared."
 - f. Payment to the guardian of a minor child shall be vouchered for payment to the guardian in a manner, indicating the claimant's capacity, e.g., "Joseph Wells, guardian of Mary Bell and Warren Bell, minor children of James Bell, deceased", or "John Bell, natural guardian of

and for the benefit of Mary Bell and Warren Bell, minor children of James Bell, deceased."

(2) Individual payments shall be vouchered for each claimant unless two or more claimants have requested that they be paid jointly or have appointed a trustee to receive the amounts to which they are entitled.

2. When all or part of a payment due has been vouchered and scheduled for payment to a claimant, an entry should be made on the two copies of forms 1864-B which form a part of the claims file, of the voucher and schedule of disbursements and the bureau voucher and schedule number. Subsequent reference to these notations will avoid duplicate or overlapping payments on any subsequent voucher and schedule prepared with respect to the same original payment.

E. Preparation of Vouchers and Schedules for Payments for Claims Cases Wherein Either the Original Payee or the Claimant is Indebted to the A.A.A.

1. If it is determined that the original payee was indebted to the AAA 1/ the entire amount of the payment due, or so much thereof as is required to liquidate such indebtedness, shall be vouchered to the Treasurer of the United States in the manner outlined in the set-off procedure. The remaining amount due, if any, is for payment in accordance with this section XI.
2. If it is determined that the claimant is entitled to the beneficial interest of the entire payment due or the beneficial interest of a share therein, and it is further determined that the claimant is indebted to the AAA, his entire beneficial interest, or so much thereof as is necessary, shall be vouchered and scheduled for payment to the Treas. of the U. S. in the manner outlined in the set-off procedure. The remaining amount due the applicant, if any, is for payment in accordance with the provisions of this section XI.
3. If it is determined that a person who, under the laws of the domicile of the decedent, is entitled to share in the amount due, has signed a waiver or trust agreement, relinquishing or delegating to another his right to payment and if it should further appear that the person who has waived or delegated his right to payment is indebted to the AAA, the amount that would be due this person in the absence of the waiver or delegation, or so much thereof as is necessary to liquidate his

1/ Debts owed to independent bureaus, agencies or departments of the Government, other than the AAA, shall not be set off if reported subsequent to the initial (original) administrative certification of the voucher for payment to the decedent.

indebtedness, shall be vouchered and scheduled subject to deduction in accordance with the set-off procedure, and the remaining amount due, if any, paid in accordance with the waiver or trust agreement, as outlined in this section XI.

4. If a person entitled to share in the proceeds of a payment has granted to another the authority to file claim for such amount, payment shall be vouchered and scheduled to the person granting the power of attorney 1/. If, therefore, it should be determined that the principal is indebted to the AAA, the amount due the principal or so much thereof as is necessary to liquidate his indebtedness, shall be vouchered and scheduled subject to deduction in accordance with the set-off procedure, and the remaining amount due, if any, paid to the principal as outlined in this section XI.

F. Definitions.

The explanation of given terms, while not complete, will serve to indicate the meaning of the terms and expressions used in this procedure and their use will result in greater consistency in the handling of cases involving payments to claimants of amounts due the estate of decedents.

Testate: Deceased leaving a will.

Intestate: Deceased not leaving a will.

Letters Testamentary: Court order appointing an executor to carry out the terms of a will.

Short Form Certificates: Short certificates issued by a court certifying that letters testamentary or letters of administration have been issued.

Executor: Person designated in a will and appointed by a court to settle the estate of a decedent in accordance with a will.

Administrator: Person appointed by a court to settle the estate of a decedent in accordance with State law, usually in the absence of a will.

Guardian: Person appointed by a court to transact business, etc. on behalf of a minor.

Committee: Person appointed by a court to transact business, etc. on behalf of an insane person.

1/ See paragraph 2, subparagraph (e), subsection B of this section XI.

Descendants: Children, grandchildren, great-grandchildren of decedent.

Custodian: Person who has not been appointed guardian but who has actual physical custody of a minor, and has charge of the minor's business affairs. Usually a parent or near relative of minor.

Minor: Person who has not reached the age at which State law declares him competent to handle all business affairs.

Kin, Kindred: Blood relation or relations. For example, the brother of decedent's father is kin, whereas the wife of such brother is not kin.

Brothers and sisters of the whole blood: Brothers and sisters having both parents in common.

Collateral Kindred of the half-blood: Brothers and sisters having but one parent in common.

Power of Attorney: Instrument authorizing one person to transact business for and execute the signature of another. Note that in power of attorney cases payment should be scheduled to the principal and not the designated fiduciary.

Waiver: Instrument by which a person definitely and clearly renounces or gives up his right in and to the proceeds of the check. Note that in waiver cases payment should be scheduled to the person in whose favor the waiver was executed and not to the person who executed the waiver.

Trust Agreement: Instrument by which one or more persons designate another to receive the payment in his own name. Note that in trust cases payment should be scheduled to the trustee as such.

SECTION XII - DISTRIBUTION OF FORMS

FORM ACP-24, "Debit Voucher for Uncollectible Checks Returned"
(original and 3 copies).

1. Distribution:

- (a) One copy to State Accountant.
- (b) Original and one copy to the Office of Budget and Finance, Dept. of Agri., Washington, D. C.
- (c) One copy retained in files of Claims Section.

FORM ACP-28A, "Notice to Remitter" (one copy).

FORM ACP-28, "Official Receipt" (original and 2 copies, or original and 3 copies where an encumbrance is to be set up).

A. When used in connection with remittances other than Treasury check.

1. Distribution:

- (a) ACP-28A to the remitter
- (b) ACP-28
 - (1) One copy to State Accountant.
 - (2) One copy to Accounting and Bookkeeping Division, GAO, Washington, D. C.
 - (3) Original to be filed with adjustment application, if any.
 - (4) In case an encumbrance was set up, one copy to the State Accountant as notice of liquidation.

B. When used as a receipt for Treasury checks returned to DO.

1. Distribution:

- (a) Form ACP-28A to Association Treasurer.
- (b) Original and 2 copies of ACP-28 to the case file pending settlement of case.
 - (1) Where check is to be canceled and is held by DO or GAO:
 - a. One copy to State Accountant.
 - b. Original and one copy to files of Claims Section.
 - 1. One copy to GAO with adjustment application, if any.
 - c. In case an encumbrance was set up, one copy to the State Accountant as notice of liquidation.
 - (2) Where check is to be returned to payee.
 - a. By DO
 - 1. Original to filed in Claims Section.
 - 2. One copy to Association Treasurer.

3. One copy to be attached to the application and related papers.

b. By GAO

1. Original and three copies retained in Claims Section.
2. One copy to the Association Treasurer.

STANDARD FORM NO. 1044 - SCHEDULE OF COLLECTIONS, with title altered to read, "SCHEDULE OF UNCOLLECTIBLE CHECKS". (Two copies sent to State office by DO.)

1. Distribution:

- (a) One copy returned to DO.
- (b) One copy to the State Accountant.
- (c) One copy, prepared by Claims Clerk, retained in files of Claims Section.

STANDARD FORM NO. 1044 - SCHEDULE OF COLLECTIONS

A. When used as a schedule of collections received in State office. (original and 8 copies).

1. Distribution:

- (a) Original and 3 copies to DO* (one copy marked "For Control Accounts and Reports Section, AAA, Washington, D. C.")
- (b) One copy to Division of Bookkeeping and Warrants, Treasury Department, Washington, D. C.
- (c) One copy to Accounting and Bookkeeping Division, GAO, Washington, D. C.
- (d) One copy to GAO
- (e) One copy to Office of Budget and Finance, Dept. of Agri., Washington, D. C.
- (f) One copy to files of Claims Section.

B. When used as a schedule of collections received by DO which should have been received by the State office.

* A copy will be returned by DO and later sent to the State Accountant.

1. One copy of 1044 will be received from the DO.
2. Three copies will be prepared in the State office.
3. Distribution:
 - (a) The copy received from DO to State Accountant.
 - (b) One copy to Office of Budget and Finance, Dept. of Agri., Washington, D. C.
 - (c) One copy to GAO.
 - (d) One copy to files of Claims Section.

STANDARD FORM NO. 1045 - SUMMARY OF COLLECTIONS. (original and four copies prepared by DO forwarded to State office.)

1. Distribution:
 - (a) Original and one copy to DO.
 - (b) One copy to Office of Budget and Finance, Dept. of Agri., Washington, D. C.
 - (c) One copy to State Accountant.
 - (d) One copy to files of Claims Section.

STANDARD FORM NO. 1046, REVISED - SCHEDULE OF TRANSFERS - SPECIAL DEPOSITS (original and 8 copies).

1. Distribution:
 - (a) Original and 3 copies to DO (one copy stamped "Forward to Control Accounts and Reports Section, AAA, Washington, D. C.".)
 - (b) One copy to the Division of Bookkeeping and Warrants, Treasury Dept., Washington, D. C.
 - (c) One copy to Accounting and Bookkeeping Division, GAO, Washington, D. C.
 - (d) One copy to GAO.
 - (e) Two copies to pending file.
 - (1) One copy to Office of Budget and Finance, Dept. of Agri., Washington, D. C.
 - (2) One copy to files of Claims Section.

(f) The copy returned by DO to State Accountant.

STANDARD FORM(S) NOS. 1047 AND 1048 - "PUBLIC VOUCHER FOR REFUNDS" and "PUBLIC VOUCHER FOR REFUNDS MEMORANDUM" (original) (1047) and 3 copies (1048).

1. Distribution:

- (a) 1047 to DO.
- (b) 1048 - one copy to DO.
- (c) 1048 - two copies to pending files.
- (d) 1048 - after return of related 1046 and 1064 from DO make notations on one file copy and send to State Accountant.

STANDARD FORM NO. 1064 - SCHEDULE OF DISBURSEMENTS (original and 5 copies).

1. Distribution:

- (a) Original and 3 copies to DO (one copy stamped "Forward to Control Accounts and Reports Section, AAA, Washington, D. C.")
- (b) One copy to State Accountant.
- (c) One copy to pending file.
- (d) The copy returned by DO shall be routed to the State Accountant.
- (e) The copy in the pending file, after notations made from DO copy, shall be filed with copy of 1048.

STANDARD FORM NO. 1098 - SCHEDULE OF CANCELED CHECKS (original and 9 copies)

1. Distribution:

- (a) Original and 6 copies to DO. (One copy marked "Forward to Control Accounts and Reports Section AAA., Old P. O. Bldg., Wash., D. C." Two copies marked, "Forward to (State) Preaudit Office, GAO.")
- (b) One copy to Office of Budget and Finance, Dept. of Agri., Wash., D. C.
- (c) One copy to Accounting and Bookkeeping Division, GAO, Wash., D. C.
- (d) One copy to files of Claims Section.

(e) The copy returned from DO to State Accountant.

TREASURY FORM NO. 1664A - (REV.), "MEMORANDUM OF RETURNED CHECKS". (Original and 3 copies sent to State office by DO).

1. Distribution:

(a) Original and two copies to separate file pending settlement of account.

(b) One copy attached to case file.

(1) Where check is to be canceled:

a. One copy returned to DO.

b. Other copies placed in case file.

(2) Where check is to be remailed to payee.

a. Original and 2 copies returned to DO (original and one if one copy previously returned as a report that address of payee unknown).

b. One copy to closed alphabetical file.

(State and County Code and Application Serial No.)

(Bu. Sched. No.) (Adm. Vou. No.)

194
(Date Paid) (D.O. Vou. No.)

19

PROGRAM

SOUTHERN REGION

ADMINISTRATIVE EXCEPTION

SECTION 1. - Payment computed:

Payment to the applicant (and assignee, if any) in the amount stated below has been computed under the above-numbered adjustment application.

(Name and address of applicant)	\$ (Amount)
(Name and address of assignee, if any)	\$ (Amount)
Deduction for (Grants of aid) (FCI premium advances), if any	\$ (Amount)

SECTION 2. - Payments made:

Form No.	Bureau Schedule No.	Adm. Vo. Do.	Date	Amount
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

SECTION 3. - Payment withheld:

Partial payment to the above-named applicant has been administratively withheld pending recovery of the following amount: - - - - - \$ _____

(For administrative certifying officer) (Date withheld) 194 (Transmittal No.)

SECTION 4. - Payment released:

Payment withheld from the above-named applicant has been recovered and should be made in the amount of: - - - - - \$ _____

(For administrative certifying officer) (Date submitted) 194 (Transmittal No.)

SECTION 5. - For General Accounting Office use:

Certified for payment, \$ _____ Date _____, 194 (Adm. Vou. No.)
(Amount)

Paid:

Date _____, 194 (D.O. Vou. No.)

Issued July 7, 1941

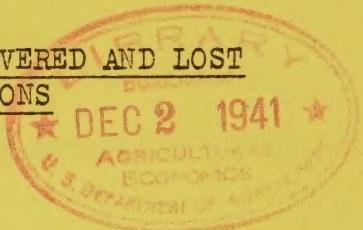
1-42
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SRC

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

SOUTHERN DIVISION

STATE OFFICE PROCEDURE FOR THE HANDLING OF UNDELIVERED AND LOST
CHECKS, CLAIMS, AND ADJUSTMENT APPLICATIONS

SRC-402 is hereby amended as follows:

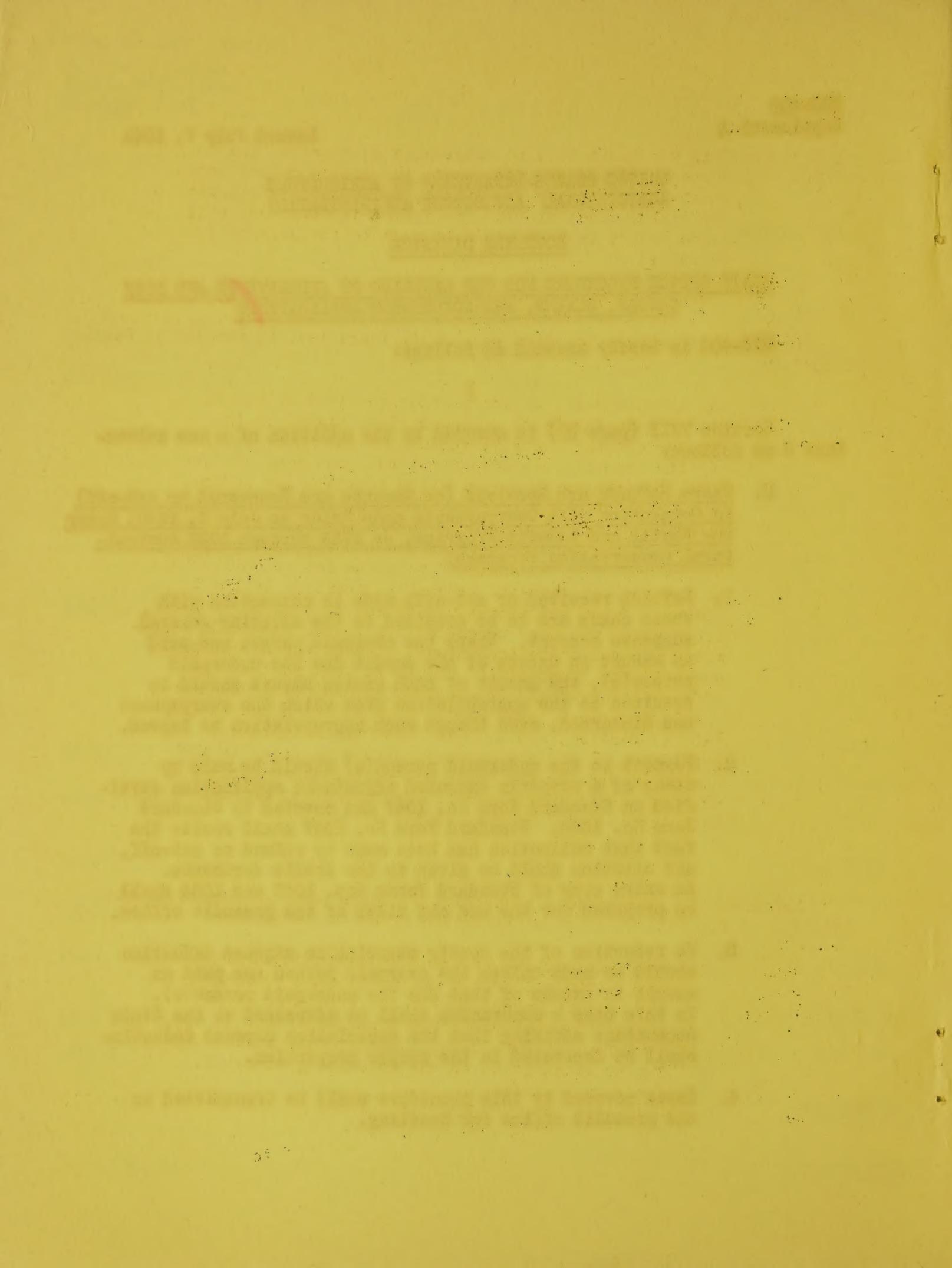


I

Section VIII (page 37) is amended by the addition of a new subsection H as follows:

H. Where Refunds are Received (or Amounts are Recovered by set-off) in Connection with Overpayments made Prior to July 2, 1940, under the Rental and Benefit Programs, or 1936 through 1939 Agricultural Conservation Programs.

1. Refunds received or set-offs made in connection with these cases are to be credited to the existing general suspense account. Where the overpaid person was paid an amount in excess of the amount due the underpaid person(s), the amount of such excess amount should be credited to the appropriation from which the overpayment was disbursed, even though such appropriation be lapsed.
2. Payment to the underpaid person(s) should be made by means of a properly executed adjustment application certified on Standard Form No. 1047 and covered by Standard Form No. 1064. Standard Form No. 1047 shall recite the fact that collection has been made by refund or set-off, and citation shall be given to the credit documents. An extra copy of Standard Forms Nos. 1047 and 1064 shall be prepared for the use and files of the preaudit office.
3. No reduction of the county association expense deduction should be made unless the overpaid person was paid an amount in excess of that due the underpaid person(s). In this case a memorandum shall be addressed to the State Accountant advising that the association expense deduction shall be decreased in the proper proportion.
4. Cases covered by this procedure shall be transmitted to the preaudit office for handling.



5. This procedure is also applicable to cases in the above-mentioned programs where the appropriation from which the overpayment was made, while still available for disbursement at time the refund is obtained, will lapse before payment could be made to the underpaid person(s).

II

Paragraph 11, subsection A of section IV (page 18), is amended to read as follows:

11. Any check, draft, or money order received by the DO rather than the State office will be placed in the regular special deposits account by the DO by scheduling the item on form 1044, Revised. One copy of form 1044, Revised, will be forwarded to the State office. On receipt of the form 1044, Revised, in the State office the claims clerk should insert the full title and symbol of the fund to be credited and the next consecutive number to be assigned to schedules of collections to the special deposits account in addition to the DO number. Three additional copies should then be prepared, after which the copy received from the DO should be transmitted to the State Accountant. One of the copies prepared in the State office should be forwarded to the Office of Budget and Finance, Department of Agriculture, Washington, D. C., and one to the Control Accounts and Reports Section, A.A.A., Old Post Office Building, Washington, D.C., and one copy should be filed in the claims section by the State office serial number. The schedule shall thereafter be referred to by reference to both the DO and the State office numbers.

III

Paragraph 1, subsection C of section VI (page 33), is amended by the addition of the following new subparagraph at the end thereof:

- (c) Where collection is made, by set-off or otherwise, from the person who erroneously cashed the original check, notice of such collection shall be forwarded to the Director of the Southern Division, in duplicate, in order that such notice may be transmitted to the Accounting Division, Treasury Department.

